

**CONTRIBUTION AGREEMENT FOR SUBSCRIPTION TO UNITS**

**OF**

**B-FLY INDIA OPPORTUNITIES FUND**

*(a Scheme of B-FLY INDIA ALTERNATIVE INVESTMENT TRUST, a trust organized in India and [registered] with Securities and Exchange Board of India as a Category III – Alternative Investment Fund)*

**BY AND BETWEEN**

**IDBI TRUSTEESHIP SERVICES LIMITED**

**(“Trustee”)**

And

**B-FLY ASSET MANAGER LLP**

**(“Investment Manager”)**

And

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**(“Contributor”)**

## CONTRIBUTION AGREEMENT

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## CONTRIBUTION AGREEMENT

This Contribution Agreement (hereinafter referred to as this “**Agreement**”) is executed at \_\_\_\_\_ on \_\_\_\_\_;

### BY AND BETWEEN:

1. **IDBI Trusteeship Services Limited**, a company incorporated under the Companies Act, 1956 and having its registered office at Universal Insurance Building, Ground floor, Sir P M Road, Fort, Mumbai- 400 001 (hereinafter referred to as the “**Trustee**” which expression shall, unless it be repugnant to or inconsistent with the context or meaning thereof, be deemed to mean and include its successors and assigns), in its capacity as the trustee of **B-FLY India Alternative Investment Trust** (hereinafter referred to as the “**Trust**”), of the FIRST PART;
2. **B-FLY Asset Manager LLP**, a firm, established under the provisions of the Limited Liability Partnership Act, 2008 and having its office at 6-3-652, IV Floor, Kautilya Amrutha Estates, Somajiguda, Hyderabad-500082 (hereinafter referred to as the “**Investment Manager**” or “**IM Entity**” which expression shall, unless repugnant to or inconsistent with the context or meaning thereof, be deemed to mean and include its successors and permitted assigns), of the SECOND PART; and
3. The contributor whose name and details are mentioned in the **First Schedule** hereto (hereinafter referred to as the “**Contributor**”/”**Unitholder**” which expression shall unless it be repugnant to the context or meaning thereof be deemed to mean and include, when the Contributor is (a) an individual, his or her heirs, executors, administrators and permitted assigns, (b) a partnership firm, the partner or partners for the time being of the said partnership, the survivor or survivors of them and the heirs, executors and administrators of the last survivor, his/her/their permitted assigns, (c) a company, its successors and permitted assigns, (d) a corporate including its successors and permitted assigns and all members and their respective heirs, executors, administrators and permitted assigns), of the THIRD PART;

In this Agreement, unless the context otherwise requires, the Trustee, Investment Manager and the Contributor shall hereinafter be jointly referred to as the “**Parties**”, and severally as the “**Party**”.

### WHEREAS:

1. By the Indenture (as defined herein below), the Trustee has been appointed by the Settlor (as defined herein below) to act as a trustee to the Trust in accordance with the terms and conditions set out in the Indenture.
2. The Fund has been formed with the primary objective of carrying on the activity of a Category III Alternative Investment Fund (“**Category III AIF**”), as permissible under the AIF Regulations and as detailed in the Memorandum (as defined herein below).
3. Under the Investment Management Agreement (as defined herein below), the Trustee has appointed the Investment Manager and has delegated its powers, duties, rights and

obligations in relation to the management and administration of the Schemes launched by the Trust to the Investment Manager.

4. The Investment Manager on behalf of the Trustee, has issued the Memorandum, and the Contributor having read and understood the same, has unconditionally agreed on such terms and conditions as specified in the Memorandum, the Indenture and this Agreement, to make Capital Contributions to such Units of the Fund as mentioned in the **First Schedule**.

**NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:**

**1. Definitions**

- 1.1 In this Agreement, capitalized terms, which are not otherwise defined, shall have the meanings set forth in the Memorandum or the Indenture. Please refer to the **Third Schedule** for definitions of certain terms.
- 1.2 In this Agreement, unless the context otherwise requires:
  - 1.2.1 any provision of this Agreement which is stated to be applicable to the “Contributors” to the Fund as a class of investors shall, unless the context otherwise require, also be deemed to be applicable to the Contributor entering into this Agreement.
  - 1.2.2 unless the context otherwise requires, words in the singular shall include words in the plural and words in the 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;
  - 1.2.5 reference to any one gender would include a reference to any other gender;
  - 1.2.6 references to Clauses and Parties herein are references to the clauses of, and Parties to, this Agreement, unless stated otherwise;
  - 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 words and expressions used herein and not defined herein shall have the same meanings respectively assigned to them under the Indenture and the Memorandum wherever used in this Agreement; and
  - 1.2.9 the Schedules and Exhibits form an integral part of this Agreement and shall have

the same force and effect as if expressly set out in the body of this Agreement. Any reference to this Agreement shall include the schedules and exhibits, as the case may be.

## 2. Agreement and terms of Contribution

### 2.1 Amount and terms of Contribution

Subject to the terms and conditions of this Agreement, the Contributor hereby unconditionally and irrevocably agrees to subscribe to such Class of Unit and for such an amount as mentioned in the **First Schedule**.

### 2.2 Fundamental Attributes of the Fund

2.2.1 B-FLY India Opportunities Fund (“**Fund**”) is an open-ended Alternative Investment Fund and shall continue till it is wound up/terminated by the Investment Manager at its discretion (“**Term**”).

2.2.2 The Fund is offering the Contributors, the option to subscribe to the following Classes of Units viz Class A Units, Class B Units, Class C Units and Class D Units, subject to the terms and conditions of the Memorandum.

- **Class A Units** shall be offered to be subscribed by Contributors without the intermediation of a placement agent or a distributor, Contributors making Capital Contribution of equal to or more than 1 crore.
- **Class B Units** shall be offered to be subscribed by Contributors contributing pursuant to the services of a placement agent or a distributor Contributors making Capital Contribution of equal to or more than 1 crore
- **Class C Units** shall be offered to be subscribed by the Sponsor and/or to the investors designated by the sponsor, by making a minimum Capital Contribution of 5% (Five percent) of the Fund’s corpus or INR 10 crores (Indian Rupees Ten crores), whichever is lower
- **Class D Units** shall be subscribed by the Investment Manager and/or their respective directors, officers and employees and/or such other person designated by the Investment Manager.

2.2.3 Class A Units, Class B Units, Class C Units will be referred to as the “**Investor Units**” and D Units shall be referred to as the “**Performance Fee Units**” (both Investor Units and Performance Fee Units referred to as “**Units**”).

2.2.4 *Subscription/Offering Price*: The Units will be offered at INR 10 (Indian Rupees Ten) per Unit (“**Offering Price**”). The investments in the Fund will be restricted to Qualified Contributors who are Target Investors as defined in the Memorandum. The Fund shall commence its investment activities on the Launch Date.

- 2.2.5 The different classes of Units of the Fund have been segregated primarily on the basis of Capital Contributions of the Contributors and relevant time periods to attain stipulated Capital Contributions from Contributors, by the Fund.
- 2.2.6 All Units shall evidence Beneficial Interest in the Scheme and shall be issued by the Investment Manager in accordance with the Indenture and shall include a fraction of a Unit evidencing beneficial interest in the Fund of a value less than the face value of Class of Units.
- 2.2.7 Units issued from time to time shall be denominated as a separate Series for the purposes of calculating Management Fee, and Performance Fees applicable to such Units, as well as to track the different economics attributable to different Unitholders as a result of the purchase of Units by Unitholders at different times during the year. The initial Series will be designated as “Series One” and each subsequently issued Series will be numbered sequentially. The Fund may consolidate different Series of Units into a single Series at any time without the consent of the Unitholders; provided, that the consolidation will have no adverse impact on the Management Fee payable and Performance Fees distributable or expenses attributed as to any Unitholder.
- 2.2.8 For the purposes of Series accounting, each Series of Units will constitute a “Series Account” to which the Capital Contribution received from the issue of Units of that Series will be allocated, together with investments and income, gains and losses derived therefrom. Liabilities of the Fund will generally be allocated among the Series proportionately and debited to the various Series accounts. However, liabilities specifically attributable to a particular Series of Units (including Performance Fees that may be payable to the Investment Manager) will be debited to the Series Account for that Series. Each Class of Units of the Fund will bear the expenses and liabilities directly attributable to that Class of Units and a portion of the Administrative Expenses allocated on the basis of total net assets (as provided hereunder) or any other equitable method(s) at the discretion of the Investment Manager.
- 2.2.9 Where the Fund incurs a liability, which relates to any asset of a particular Class or to any action taken in connection with any asset of a particular Class of Units, such liability shall be allocated to the relevant Class of Units. Liabilities of a Class will in turn generally be allocated among the sub-class/series of Units (as may be applicable) proportionately (including Management Fee or Performance Fees that may be payable to the Investment Manager as to that Series) and debited to the various accounts of such sub-class of Units. While the liabilities shall be segregated on a Class-by-Class basis, it should be noted that the same is subject to apportionment of assets between Classes.
- 2.2.10 The Investment Manager has the right to determine the basis on which any liability, expense, cost charge or reserve shall be allocated between such Classes and the general assets and vary the basis of allocation at any time. Third party creditors may have recourse to the entire assets of the Fund including assets of the other Classes. The Fund will issue Units to Qualified Contributors.
- 2.2.11 The Investment Manager may authorise the creation of additional Classes or

sub-Classes of Units in the future, subject to different fees, expense ratios, and such other terms and conditions as may be specified in the provisions of the Memorandum, and as may be amended or supplemented from time to time, subject to such additional class of Units not diluting the rights of the existing classes of Units. However, it is hereby clarified that special rights attached to such Classes of Units issued by the Fund shall not have any adverse impact on the economic or any other rights of other investors.

- 2.2.12 Investment Manager may at its discretion allow admission of new investors into the Fund through subscription of Units on any Subscription Date or any other day as may be determined in its sole discretion.
- 2.2.13 *Subscription Requests*: The Fund shall accept requests for subscriptions (“**Subscription Requests**”) of the Units which shall be any day of the month (“**Subscription Date**”). In case, any of the said dates fall on a non-working day, the working day previous to the above date will be considered as the required date.
- 2.2.14 *Allotment of Units*: Fund shall allot Units to Contributors only upon the Fund duly receiving the Subscription Requests and cleared funds in respect of such subscription on 15th/1st day of the month (or such other period at the discretion of the Manager) before the relevant Subscription Date in respect of such subscriptions. The Manager reserves the right to not issue Units to a Contributor, if the Contributor’s Subscription Request and cleared funds in lieu of such accepted Subscription Requests is not received by the Manager within prescribed timelines, as relevant thereto.
- 2.2.15 To the extent a prospective investor’s subscription amount is not received in the Fund’s subscription account by the relevant Subscription Date, the Investment Manager reserves the right to issue Units to a Contributor in relation to the Contributor’s Subscription Request on a Subscription Date following the date of receipt of the subscription amount. The Investment Manager reserves the right to not issue Units to a Contributor in relation to the Contributor’s Subscription Request if such payment is not made within the stipulated timeline, as per the terms of the Memorandum.
- 2.2.16 Further, it is hereby clarified that the Investment Manager may accept Subscription Requests from a Contributor on any day other than the Subscription Date, subject to the announcement of prevalent NAV.
- 2.2.17 Amounts received by the Fund prior to any Subscription Date or thereafter, pending allotment of Units in the Fund, may be invested in Temporary Investments in accordance with **Clause 2.16** of this Agreement.

2.2.18 *Minimum Capital Commitment*: The Minimum Capital Contribution applicable for each Contributor shall be as follows:

<b>Class of Units</b>	<b>Minimum Capital Contribution</b>
<b>Class A Units</b>	INR 1 crore (Rupees One crore) - without the intermediation of a placement agent or a distributor
<b>Class B Units</b>	INR 1 crore (Rupees One crore) – with the intermediation of a placement agent or a distributor
<b>Class C Units</b>	5% (Five percent) of the Fund’s corpus or INR 10 crores (Indian Rupees Ten crores), whichever is lower, for the Sponsor towards Mandatory Sponsor Commitment and/ or to the investors nominated by the sponsor.
<b>Class D Units</b>	INR 25 lakhs (Indian Rupees Twenty five lakhs) for their respective directors, officers and employees and/or such other person designated by the Investment Manager.

Provided that the Minimum Capital Contribution of any Contributor shall not be less than the minimum amount prescribed by the AIF Regulations and permitted by the Investment Manager. Further, the Investment Manager, may accept Capital Contributions that may be lower than the minimum Capital Contribution as per the terms of the Memorandum, at its discretion and subject to the capital contribution requirements prescribed by the AIF Regulations.

2.2.19 *Mandatory Sponsor Commitment*: BN Rathi Securities Limited, in their capacity as Sponsor of the Fund, shall have a continuing interest in the Fund of at least 5% (Five percent) of the Fund’s corpus or INR 10 crores (Indian Rupees Ten crores), whichever is lower (“**Mandatory Sponsor Commitment**”). The Mandatory Sponsor Commitment shall be contributed into the Fund through subscription of Class C Units.

2.2.20 *Investment Objective*: The investment objective and investment strategy of the Fund are provided in the Memorandum.

2.2.21 *Other Conditions*:

- (a) *Listing*: If applicable, Units of the Fund shall be listed on the relevant stock exchange(s) as per the restrictions and conditions provided under the AIF Regulations, in this regard.

## 2.3 The Term and Termination of the Fund



- 2.3.1 The Fund is open-ended and shall continue till it is wound up/terminated by the Investment Manager at its discretion (“**Term**”).
- 2.3.2 The Trustee may in consultation with the Investment Manager terminate the Fund, if the minimum amount of Capital Contributions required under the Regulations has not been received by the Fund (as intimated by the Investment Manager) or upon the occurrence of any of the following events:
- (a) the Fund’s NAV for 3 (three) consecutive months is less than INR 20 crores (Indian Rupees Twenty crores);
  - (b) the Fund exiting from all Portfolio Investments and distribution of the Contribution Fund to the Beneficiaries;
  - (c) if the Trustee, upon receiving a written recommendation of the Investment Manager, is of the opinion that the Trust/Fund be wound up in the interest of all Beneficiaries;
  - (d) upon obtaining the prior approval of Super-Majority of the Contributors of the Fund for termination of the Fund;
  - (e) the written recommendation of the Investment Manager stating that the Trust/Fund is facing any adverse tax consequences; or
  - (f) upon any receipt of directions from any statutory authority including SEBI.
- 2.3.3 Upon such winding-up of the Fund, the Trustee shall intimate SEBI and the Beneficiaries of the circumstances leading to the winding up of the Fund. The Trustee shall return to the extent of the available cash in the Contribution Fund, all outstanding interests in the Fund by the respective Beneficiaries immediately prior to the date of termination/winding up of the Fund, in proportion to their beneficial interests. Further, on and from the date of intimation to SEBI and the Beneficiaries of the circumstances leading to the winding up of the Fund, the Scheme shall not make any further investments. It is hereby clarified that termination/winding up of the Fund will not affect the existence of the Trust or any other Scheme(s) launched under the Trust.
- 2.3.4 Notwithstanding the winding up of the Fund, the Beneficiaries shall continue to remain liable to the following extent:
- (a) the Fund will continue for such period of time as may be necessary to liquidate existing investments in an orderly manner. However, within one year from the date of intimation of the circumstances leading to the winding up of the Fund to SEBI and the Beneficiaries, the assets of the Fund shall be liquidated, and the proceeds therefrom shall be distributed to the Beneficiaries, subject to any outstanding liabilities of the Fund;
  - (b) the Management Fee, Performance Fees and Administrative Expenses will continue to be payable in accordance with the terms of the

Memorandum until the Fund terminates; and

- (c) the Beneficiaries shall continue to remain liable for all amounts in relation to the Beneficiary's indemnity obligations to the Fund.

## 2.4 Redemption

- 2.4.1 Subject to the exit option during the relevant exit window and lock-in period (as may be applicable), Class A Units and Class B Units, Class C and Class D Units may get all or a portion of its Units redeemed on the Redemption Date, subject to: (i) payment of the Performance Fees and Exit Load, if applicable; (ii) any applicable redemption limit; and (iii) any applicable withholdings of amounts on redemptions or payment of amounts towards other liabilities including taxes, fees or expenses.
- 2.4.2 Subject to the provisions of the Fund Documents, it is clarified prior to making distributions to redeeming Contributors, the Fund is entitled to hold back / retain from any Investment Proceeds, such amounts necessary to create, in the Investment Manager's discretion, appropriate reserves for meeting the obligations and liabilities (including towards taxes) of the Fund.
- 2.4.3 The Investment Manager may in its sole discretion also permit the redemption of Units prior to any Redemption Date, subject to payment to the Fund of the applicable Performance Fees and Exit Load. The redemption shall be affected at the Prevailing NAV on the relevant Redemption Date in respect of such Unit.
- 2.4.4 On redemption of Units prior to completion of such period as has been provided below, from the relevant Subscription Date, the Contributors shall be subject to Exit Load, calculated on the relevant redemption amount, on a pre-tax basis and net of the applicable Performance Fees in respect of the Units being redeemed, or on such other amount as may be determined by the Investment Manager at its discretion.
- 2.4.5 The Redemption Notice shall be made by the Contributor in writing, in accordance with **Clause 2.7** of this Agreement.
- 2.4.6 *Redemption Price*: The redemption price per Unit will be equal to the NAV per Unit of based on the prevalent NAV of such Units, as on the last day of the relevant month as reduced by Administrative Expenses and the relevant applicable tax thereto, attributed to the exiting Contributor computed in accordance with this Agreement. The Investment Manager may in its sole discretion also permit the redemption of Units prior to any Redemption Date as on the last day of the relevant month, subject to payment to the Fund of the applicable Exit Load. Further, a redemption request, once given by a Contributor, is irrevocable unless the Investment Manager in consultation with the Trustee determines otherwise.
- 2.4.7 *Exit Load*: On redemption of Units prior to completion of such period as has been provided below, from the relevant Subscription Date, the Contributors

shall be subject to a redemption fee (“**Exit Load**”), calculated on the relevant redemption amount, on a pre-tax basis and net of the applicable Performance Fees, in respect of the Units being redeemed, or on such other amount as may be determined by the Investment Manager at its discretion. It is hereby clarified that Exit Load shall only be applicable to Units:

<b>Exit Window</b>	<b>Exit Load</b>
Within 1 year from the relevant Subscription Date of the Units	Class A Units, Class B Units, Class C Units and Class D Units: 3% of the relevant redemption proceeds (pre-tax) of Units being redeemed.
Within 2 years from the relevant Subscription Date of the Units	Class A Units, Class B Units, Class C Units and Class D Units: 2% of the relevant redemption proceeds (pre-tax) of Units being redeemed.
Within 3 years from the relevant Subscription Date of the Units	Class A Units, Class B Units, Class C Units and Class D Units: 1% of the relevant redemption proceeds (pre-tax) of Units being redeemed.
Upon the completion of more than 3 years from the relevant Subscription Date of the Units	Class A Units, Class B Units, Class C Units and Class D Units: NIL

- 2.4.8 The Investment Manager may at its sole discretion, agree to waive or reduce the Exit Load on exit for any Contributor. The Exit Load payable to the Investment Manager shall be exclusive of all applicable goods and services tax leviable on such Exit Load, and all applicable goods and services tax (together with surcharge or cess as may be applicable) leviable on such Exit Load shall be paid by the relevant exiting Unitholders.
- 2.4.9 It is further clarified that notwithstanding the right of the Contributor to redeem a portion of Units held by him on any Redemption Date, the Capital Contribution of any such redeeming Contributor, pursuant to such redemption should not fall below the applicable Minimum Capital Contribution as specified in the Memorandum or as prescribed by the AIF Regulations. The Investment Manager may, at its discretion, allow redemptions for such other lower amounts as it may deem fit, subject to the Minimum Capital Contribution as prescribed by the AIF Regulations.
- 2.4.10 Notwithstanding anything stated in the Fund Documents, no partial redemption by the Contributor will be allowed by the Investment Manager which may result in such Contributor holding Units of a value less than INR 1 crore (Rupees One crore) or such other amount as specified in the AIF Regulations calculated based upon the Prevailing NAV. In such a case, the Investment Manager may in its discretion compulsorily require the Contributor to redeem all the outstanding Units of such Contributor.
- 2.4.11 In case of multiple Capital Contributions made by the same Unitholder, the

first-in first-out method will be used.

- 2.4.12 At the time of winding up of the Fund, all outstanding Units shall be redeemed.
- 2.4.13 Upon the redemption of a Unit, the Contributor shall cease to be entitled to any rights in respect thereof (except right to receive any distribution which has been declared prior to such redemption) and accordingly its name shall be removed from the register of Contributors and the Deed with respect thereto.
- 2.4.14 If the Investment Manager in its discretion permits a Contributor to redeem Units other than on a Redemption Date, the Investment Manager may charge the Contributor an additional administrative fee (plus applicable taxes thereon) to cover the legal, accounting, administrative, brokerage, and any other costs, expenses and charges associated with such redemption.
- 2.4.15 The Investment Manager has the right to pay cash or in-kind, or a combination of both, to a Contributor that makes a redemption, subject to the provisions of the AIF Regulations.

## 2.5 **Distribution Waterfall**

Subject to the Fund Documents, the Fund will follow the below-mentioned distribution waterfall:

### **1. Distribution Proceeds to Class A Unitholders:**

The distribution proceeds apportioned amongst the Class A Unitholders will be further allocated to each Class A Unitholder in proportion to their invested amount and will be distributed in the following manner:

- (i) **Return of Capital Contributions:** First, 100% (Hundred percent) to such Class A Contributor, until such Class A Contributor has received (after taking into account all distributions made to such Contributor) an amount equal to 100% (Hundred percent) of its respective aggregate Capital Contribution;
- (ii) **Preferred Rate of Return:** Second, to such Class A Contributor, until such Class A Contributor has received (after taking into account all distributions made to such Contributor) an amount equal to the Preferred Rate of Return, as applicable to Class A Unitholders on the amounts referred to in clause 1 (i) above;
- (iii) **Performance Fee:** Thereafter, Class A allocation amount shall be distributed as follows:
- a) 20% (Twenty percent) (plus applicable Taxes, if any) to the IM Entity and
  - b) 80% (Eighty percent) to such Class A Unitholder.

### **2. Distribution Proceeds to Class B Unitholders:**

The distribution proceeds apportioned amongst the Class B Unitholders will be further allocated to each Class B Unitholder in proportion to their invested amount and will be distributed in the following manner:

- (i) **Return of Capital Contributions:** First, 100% (Hundred percent) to such Class B Contributor, until such Class B Contributor has received (after taking into account all distributions made to such Contributor) an amount equal to 100% (Hundred percent) of its respective aggregate Capital Contribution;
- (ii) **Preferred Rate of Return:** Second, to such Class B Contributor, until such Class B Contributor has received (after taking into account all distributions made to such Contributor) an amount equal to the Preferred Rate of Return, as applicable to Class B Unitholders on the amounts referred to in clause 3 (i) above;
- (iii) **Performance Fee:** Thereafter, Class B allocation amount shall be distributed as follows:
  - a) 20% (Twenty percent) (plus applicable Taxes, if any) to the IM Entity, and
  - b) 80% (Eighty percent) to such Class B Unitholder.

### **3. Distribution Proceeds to Class C Unitholders:**

The distribution proceeds apportioned amongst the Class C Unitholders will be further allocated to each Class C Unitholder in proportion to their invested amount and will be distributed in the following manner:

- (i) **Return of Capital Contributions:** First, 100% (Hundred percent) to such Class C Contributor, until such Class C Contributor has received (after taking into account all distributions made to such Contributor) an amount equal to 100% (Hundred percent) of its respective aggregate Capital Contribution;
- (ii) **Preferred Rate of Return:** Second, to such Class C Contributor, until such Class Contributor has received (after taking into account all distributions made to such Contributor) an amount equal to the Preferred Rate of Return, as applicable to Class C Unitholders on the amounts referred to in clause 4 (i) above;
- (iii) **Performance Fee :** Thereafter, Class C allocation amount shall be distributed as follows:
  - a) 1% (Onepercent) (Inclusive of all applicable Taxes, if any) to the IM Entity, and
  - b) 99% (Ninety Ninepercent) to such Class C Unitholder.

### **4. Distribution to Class D Unitholders**

The distribution proceeds apportioned amongst the Class D Unitholders will be further allocated to each Class D Unitholder in proportion to their invested amount and will be distributed in the following manner.

- (i) **Return of Capital Contributions:** First, 100% (Hundred percent) to such Class D Contributor, until such Class D Contributor has received (after taking into account all distributions made to such Contributor) an amount equal to 100% (Hundred percent) of its respective aggregate Capital Contribution;
- (ii) **Preferred Rate of Return:** Second, to such Class D Contributor, until such Class D Contributor has received (after taking into account all distributions made to such Contributor) an amount equal to the Preferred Rate of Return, as applicable to Class D Unitholders on the amounts referred to in clause 4(i) above;
- (iii) **Performance Fee:** Thereafter, Class D allocation amount shall be distributed as follows:
  - a) 1% (One percent) (Inclusive of all applicable Taxes, if any) to the IM Entity, and
  - b) 99% (Ninety Nine percent) to such Class D Unitholders.

## 2.6 **Compulsory Redemption**

- 2.6.1 The Investment Manager has the power in its absolute discretion to compulsorily redeem the Units of any Contributor (i) who, in the Investment Manager's opinion, holds the Units directly or beneficially in breach of any Applicable Law or requirement of any country, governmental or regulatory authority; or (ii) is otherwise unable to provide the Investment Manager with any documentation or information that it may reasonably request from time to time; or (iii) whose existence as a Contributor causes or threatens to cause the Fund to incur any liability to taxation or to suffer any pecuniary or other disadvantage in any jurisdiction which it would otherwise not have expected to incur or suffer; or (iv) whose existence as a Contributor in the Fund may cause the Fund to be required to comply with any registration or filing requirements in any jurisdiction with which it would not otherwise be required to comply.
- 2.6.2 The Investment Manager may, with or without cause, in its sole discretion, redeem the Units of any Contributor, in whole or in part, at any time on not less than 3 (three) days' notice, such exit/ realization of a Unit, to be effective on the date specified in such notice.
- 2.6.3 No exit fee or charge will be imposed upon a mandatory exit unless (a) such exit is required as a result of a misrepresentation to the Fund by the Contributor or a breach of the Fund Documents by the Contributor, or (b) the Investment Manager, in its sole discretion, redeems the Contributor's Units because the

continued participation of such Contributor in the Fund might cause the Fund to violate any law, rule or regulation or expose the Fund to litigation, arbitration, administrative proceedings or any similar action or proceeding.

- 2.6.4 Upon the exit/ realization of a Unit, the Contributor shall cease to be entitled to any rights in respect thereof (except right to receive any distribution which has been declared prior to such exit) and accordingly its name shall be removed from the register of Contributors with respect thereto.

## 2.7 Redemption Procedure

- 2.7.1 The Redemption Notice shall be made by the Contributor in writing. Such Redemption Notice would need to be signed in the original by the Contributor or by an authorized signatory of the Contributor as appearing in the records of the Investment Manager. A Contributor may provide an advance Redemption Notice twice a month (i.e, 15th day of a month and last date of the month) in order to redeem the Units based on the prevalent NAV of such Units, and the redemption proceeds shall be paid to such redeeming Contributor by the Investment Manager within a maximum 10 (Ten) Business Days from the receipt of such Redemption Notice by the Investment Manager.
- 2.7.2 The Investment Manager may at its discretion accept such Redemption Notice through email or any other form of communication.
- 2.7.3 The Redemption Notice must specify the Class of Units in respect of which the Redemption Notice is furnished by the Contributor. Upon a failure to specify such Class of Units, the Units of such Contributor will be redeemed on the principle of 'First in First Out'.
- 2.7.4 Payment of exit proceeds, reduced by the Performance Fees (if any) for the portion of the fiscal year in which such exit occurs, shall be made in accordance with the procedure applicable to Units that are redeemed at the request of the Contributor.
- 2.7.5 In the case of a mandatory exit, payment of at least 90% (Ninety percent) of amounts owed to the Contributor will be made within 10 (Ten) Business Days after the exit date as determined by the Investment Manager, with the remainder being paid within 10 (ten) Business Days of the completion of the Fund's annual financial audit.
- 2.7.6 Contributors should note that they bear the risk of any decline in the NAV of the Units from the date the Redemption Notice is given by the last day of every month.
- 2.7.7 Upon redemption by a Contributor, the Fund shall distribute to the redeeming Contributor in accordance with **Clause 2.11** of this Agreement.
- 2.7.8 In addition, if all of the relevant information (including documentation) as specified under this Agreement is not provided to the Investment Manager in a timely and satisfactory manner, the partial/ complete redemption request will

be not processed and the payment of redemption proceeds will be withheld. Instead, the redemption proceeds will be held in the applicable Contributor's name at the Fund's account and the Contributor will bear all associated risks.

- 2.7.9 The Investment Manager will use best efforts to liquidate the Fund Investments upon termination of the Fund and distribute the Investment Proceeds in cash in accordance with the distribution mechanism provided in **Clause 2.11** of this Agreement.
- 2.7.10 Subject to the provisions of the AIF Regulations, the Investment Manager may, in its sole discretion, also distribute all un-liquidated investments in specie amongst the Contributors in accordance with the distribution mechanism in **Clause 2.11** of this Agreement and on such terms and conditions, as the Investment Manager may deem appropriate.
- 2.7.11 *Side Pocket Accounts*: In case of certain investments in respect of which a readily ascertainable fair market value cannot be ascertained, the Investment Manager may (but is not required to) designate such investments attributable to one or more Series, be carried in one or more separate memorandum accounts (a “**Side Pocket Account**”) for such period of time as the Investment Manager determines. Such investments, securities may not have a readily ascertainable market value on account of certain scenarios / situations, including but not limited to: (a) such investments, securities being suspended from trading on public exchanges, (b) such investments, securities being delisted from public exchanges, (c) such investments, securities being involved in any merger, amalgamation, hive off or corporate restructuring which makes the market price unascertainable, (d) private placement, pre-IPO or PIPE deals or deals having lock-up period (each, as designated by the Investment Manager an “**Illiquid Investment**”). Illiquid Investments held in a Side Pocket Account shall be carried at their fair value (which may be above or below cost) as determined by the Investment Manager. At the election of the Investment Manager or upon the sale or disposition of an Illiquid Investment, such investment (or the proceeds thereof) shall be reallocated, pro rata, to the capital accounts of participating Beneficiaries of such Series or shall be paid out in cash to the respective Beneficiaries. Until such reallocation, a Beneficiary may not make exits from such Side Pocket Account. Illiquid Investments may be held in a Side Pocket Account until the occurrence of a Realization Event.
- 2.7.12 The Investment Manager may provide for such percentage of the Fund’s NAV attributable to a Series of the Units (measured at the time that such Illiquid Investments are placed in the Side Pocket Account) to be allocated to Side Pocket Accounts after deducting the said amount from the respective Series from which such assets are moved to the Side Pocket Account Units. However, the Investment Manager may decide not to make any such adjustments on the investments attributable to a Series of Units. The Fund will issue a separate series of Units in respect of each Side Pocket Account (“**Side Pocket Account Units**”) to the relevant Beneficiaries pro rata based on the NAV of their Units.
- 2.7.13 A “**Realization Event**” occurs when: (i) an Illiquid Investment becomes



liquid, as determined in the reasonable discretion of the Investment Manager; (ii) an Illiquid Investment is sold or otherwise disposed of by the Fund; or (iii) circumstances otherwise exist that, in the reasonable judgment of the Investment Manager, conclusively establish a more definitive value for an Illiquid Investment, as determined in the reasonable discretion of the Investment Manager (including, without limitation, when additional securities substantially similar to the Illiquid Investment have been publicly issued by the issuer of the Illiquid Investment). Upon a Realization Event, at the discretion of the Investment Manager, the value of the instruments held or the proceeds thereof shall be reallocated, from the Side Pocket Account of the relevant Series to the general capital accounts of such Series to each Beneficiary participating therein pro rata in accordance with such Beneficiary's interest in the Side Pocket Account. The Investment Manager at its sole discretion may also choose to distribute the proceeds from the Side Pocket Account to the respective Beneficiaries in the form of cash rather than reallocating the proceeds to the respective general capital account of the Beneficiaries.

- 2.7.14 The Performance Fees shall not be allocated in respect of any Illiquid Investment held in a Side Pocket Account of any Series until such investment (or the proceeds thereof) has been reallocated to the capital accounts of the participating Beneficiaries of such Series or paid out in the form of cash to the respective Beneficiaries. Upon such reallocation or payment, a Beneficiary that has exited all of its capital from a Series other than the capital attributable to such Side Pocket Account shall receive an amount equal to its interest in such Side Pocket Account (net of (i) any accrued Management Fees (ii) the Performance Fees, (iii) any Administrative Expenses and applicable taxes, if any, with respect thereto) within 60 (sixty) days after such reallocation.
- 2.7.15 Newly admitted Beneficiaries of a Series will not participate in Illiquid Investments that were placed in a Side Pocket Account of such Series prior to their admission. Any expenses relating specifically to a Side Pocket Account will be charged to the Beneficiary of such Series participating in such account. If, in its discretion, the Investment Manager designates any investment as a follow-up investment to an existing Illiquid Investment, only the Beneficiaries of the relevant Series participating in such original investment will participate in such follow-up investment in proportion to their interest in the related Side Pocket Account.
- 2.7.16 In addition to the foregoing with respect to Side Pocket Accounts, to the extent that certain Beneficiaries of a Series are restricted from participating in any transactions of such Series by applicable laws or regulations or legal restrictions, the Investment Manager may, in its discretion, establish one or more separate Series to hold such investments and isolate ownership away from such restricted Beneficiaries of such Series. Only those Beneficiaries who the Investment Manager determines are eligible shall participate in such accounts.

## 2.8 Delay/Suspension of Redemption

2.8.1 The Investment Manager may delay or suspend redemption of Units in the following circumstances keeping in mind the best interests of the Contributors (“**Suspension Period**”):

- (a) any period when any stock exchange, market or trading facility on which a substantial portion of the Fund’s investments are traded is closed, otherwise than for ordinary holidays, or during which dealings are substantially restricted or suspended;
- (b) any period when as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the Fund and the Investment Manager, disposal of the assets of the Fund is not reasonable or normally practicable without being seriously detrimental to Contributors’ interest;
- (c) any period when any emergency exists as a result of which disposal by the Fund of investments, which constitute a substantial portion of the Fund’s assets, is not reasonably practicable;
- (d) any period when for any reason the prices of a material portion of the investments of the Fund cannot be reasonably, promptly or accurately ascertained;
- (e) any period when proceeds of the sale of or redemption from the Units cannot be transmitted to or from the Fund’s account;
- (f) any period when the Investment Manager feels that subscription or redemption of Units may have a material adverse effect on the Fund; or
- (g) if such suspension is required under the AIF Regulations or is required by SEBI.

2.8.2 The Fund shall not accept any fresh subscription for Units during the Suspension Period. Where a suspension is declared in respect of a Class of Unit, the suspension will apply with respect to every Class of Units in the Fund.

2.8.3 Any request for a partial/complete exit received by the Fund during the Suspension Period described above will be processed as of the fifteenth Business Day after such suspension has been lifted. The decision by the Investment Manager to suspend redemptions, in particular the reasons for the suspension and the course of action the Investment Manager intends to follow shall be appropriately documented and communicated to the Contributors and SEBI.

2.8.4 The Investment Manager shall regularly review the suspension and endeavour to resume normal operations of the Fund as soon as possible, having regard to the best interest of the Contributors. Further, actions undertaken by the Investment Manager during the Suspension Period and the decision to resume normal operations are required to be communicated to the Contributors and

SEBI.

## 2.9 High Water Mark

- 2.9.1 The Performance Fees will be calculated at the end of every Financial Year (“**Performance Period**”) on a Unit-by-Unit basis so that each Unit is charged a Performance Fees which equates fairly with that Unit’s performance.
- 2.9.2 The Performance Fees applicable to subscriptions (including subsequent subscriptions) received shall be subject to a “**High Water Mark**” procedure as described below.
- 2.9.3 This method of calculation aims to ensure that (i) any Performance Fees is charged only on those Units which have appreciated in value and (ii) the holders of each Series of Units have the same amount of capital per Unit at risk in the Fund.
- 2.9.4 The first Performance Period shall be the financial year in which the first Portfolio Investment is made.
- 2.9.5 At the end of each Performance Period (or as the case may be, on the Redemption Date), the Performance Fees shall be calculated in the following manner:
- (a) If the appreciation in value of such Series of Units is less than the Hurdle Rate (pro-rated for any period less than a year), there will be no Performance Fees; and
  - (b) If the appreciation in value of such Series of Units is equal to or more than the Hurdle Rate, the Performance Fee shall be an amount equal to 20% as may be applicable to the respective Classes as per the paragraph titled “**Performance Fee**” of the appreciation amount (including pro rata allocation for gains accruing prior to the Fund achieving Hurdle Rate).
- 2.9.6 Notwithstanding the aforesaid, in case the Performance Fees payable is Nil for a Performance Period, the High Water Mark for the next Performance Period shall be the NAV at the commencement of the next Performance Period or the NAV post the last Performance Fees being appropriated, whichever is higher.
- 2.9.7 The Performance Fee. The Performance Fee will be calculated at the end of Performance Period on a Unit-by-Unit basis so that each Unit is charged a Performance Fees which equates fairly with that Unit’s performance. The Performance Fees applicable to subscriptions (including subsequent subscriptions) received shall be subject to a “high water mark” procedure as described under sub-section titled “High Water Mark” under the section “SECTION VII: PRINCIPAL TERMS OF THE FUND.

<b>Class of Units</b>	<b>Performance Fee</b>
Class A Units	20%
Class B Units	20%
Class C Units	1%

Class D Units	1%
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- 2.9.8 The Investment Manager may, in its sole discretion, waive or reduce the Performance Fee with respect to any holder of Units for any period of time, or agree to apply a different Performance Fees for a holder of Units. Performance Fees shall be paid as return to the IM Entity
- 2.9.9 Secondary transfer of Unit during a Performance Period will not be taken into account (including the period for which the transferee was not a Unitholder) when determining the amount of Performance Fees payable for that Performance Period. Prospective investors are therefore expected to factor the Performance Fees while negotiating the price for secondary transfer and seek clarifications, if any, from the Investment Manager on the computation and payment of Performance Fees.

## 2.10 Allocation of profits and loss

- 2.10.1 To determine how the economic gains and losses of each Series will be shared, the Investment Manager shall allocate net income or loss (increases and decreases in NAV attributable to such Series) to each capital account of the Beneficiaries of such Series. Net income or loss attributable to any Series includes all portfolio gains and losses, whether realized or unrealized, plus all other items of income (such as interest) and less all the Administrative Expenses, Performance Fees, applicable taxes, expenses, allocable in each case to such Series, as may be applicable. Notwithstanding anything in the Memorandum and in accordance with the provisions of the Trust Deed, all Administrative Expenses and Management Fee shall be adequately provided for before any proceeds from Portfolio Investments/ Temporary Investments are credited and treated as part of Trust Fund, such that only such net amount is attributable as income, gains, profits, losses and only such sums are distributable to the Contributors, as laid down in the Memorandum.
- 2.10.2 Generally, net income and net loss for each month (or other period, as the case may be) will be allocated to the Beneficiary of each Series in proportion to their capital account balances attributable to such Series as of the start of such month (or such other period). Net income and net losses in any Side Pocket Accounts shall be allocated to those Beneficiaries participating in such accounts in proportion to their capital account balances in such accounts.
- 2.10.3 All matters concerning the allocation of profits, gains and losses among the Series and the parties (including the taxes thereon) and accounting procedures not expressly provided for by the terms of this Agreement shall be determined by the Investment Manager in its sole discretion on a per Contributor basis and may be determined for the purposes of tax accounting. The capital account balances for each Series will reflect Capital Contributions, previous allocations of increases and decreases in NAV, and exits in each case for such Series.

## 2.11 Distribution to Investors

- 2.11.1 Subject to the relevant provisions in relation to the Exit Load in this Agreement, upon redemption by a Contributor upon following of the redemption procedure as detailed under “*Redemption Process*” under “Error! Reference source not found.”, the Fund shall distribute to the redeeming Contributor, cash proceeds equal to number of Units redeemed \* (multiplied by) Prevailing NAV per Unit prevailing as on the relevant Valuation Day, net of any amounts attributable to (i) Administrative Expenses, and (ii) reserves for other liabilities or taxes as provided herein (“**Distribution Proceeds**”).
- 2.11.2 Distributions to the Sponsor as a Class C Unitholder shall be made subject to the Sponsor maintaining continuing interest as required under the Regulations or any circulars or notifications issued by SEBI from time to time. It is clarified that distributions to Sponsor shall be made upon complete redemption of the Units or at the time of winding up on the Fund (whichever is earlier).
- 2.11.3 In the case of a mandatory exit, the redeeming Contributors shall be paid at least 90% (ninety percent) of their Distribution Proceeds within 10 (ten) Business Days after the date the Investment Manager determines that the exit is required, with the remainder being paid within 10 (ten) Business Days of the completion of the Fund’s annual audited financial statements for the Fiscal Year in which the partial/complete redemption occurs. The balance remaining will not be considered to be invested in the Fund. The Investment Manager may choose to withhold up to 10% (ten percent) of the amount payable to the redeeming Contributors, for the purpose of meeting the Fund’s liabilities such as taxes, fees and expenses.
- 2.11.4 The payment of all redemption proceeds will be made by wire transfer to the same account at the bank/financial institution from which the Contributor's original subscription was remitted, unless the Contributor has notified the Investment Manager in writing of a change in payment instructions and the Investment Manager, has agreed to such changes. Redemption proceeds will not be paid to a third-party account. In the event sufficient cash is not available with the Fund for the purpose of paying the redemption proceeds or on the request of the Contributor and subject to regulatory requirements, the Investment Manager may make distribution in kind, or a combination of both cash and kind to its Contributors, subject to the provisions of the AIF Regulations.
- 2.11.5 The Investment Manager will use best efforts to liquidate the Fund Investments upon termination of the Fund and distribute the Investment Proceeds in cash in accordance with the distribution mechanism provided in this provided above. Subject to the provisions of the AIF Regulations, the Investment Manager may, in its sole discretion, also distribute all un-liquidated investments in specie amongst the Contributors in accordance with the distribution mechanism specified specified above, and on such terms and conditions, as the Investment Manager may deem appropriate.
- 2.11.6 Amounts held by the Fund pending distribution or as reserve(s) for the Fund’s anticipated obligations may be invested in Temporary Investments or Portfolio

Investments, at the discretion of the Investment Manager.

2.11.7 Subject to the provisions of the Fund Documents, the Fund is entitled to hold back/ retain from any Investment Proceeds amounts necessary to create, in the Investment Manager's discretion, appropriate reserves for Administrative Expenses and liabilities (including towards taxes) of the Fund.

2.11.8 In addition, if all of the relevant information (including documentation) as specified under this Agreement is not provided to the Investment Manager in a timely and satisfactory manner, the partial/ complete redemption request will be processed but the payment of redemption proceeds will be withheld. Instead, the redemption proceeds will be held in the applicable Contributor's name at the Fund's account and the Contributor will bear all associated risks.

## 2.12 **Distribution in-kind**

2.12.1 In case the Investment Manager is unable to liquidate all of the investments and realize cash proceeds out of such disposition, the Investment Manager may, subject to the provisions of the AIF Regulations, distribute all unliquidated investments, in specie (net of the Administrative Expenses and/or any liabilities and obligations including tax obligations) amongst the Contributors in the manner and on such terms and conditions, as the Investment Manager may, in its sole discretion deem appropriate, subject to the provisions of the AIF Regulations. The Investment Manager shall make in specie distribution of assets of the Fund, at any time, including on winding up of the Fund, as per the AIF Regulations, after obtaining approval of at least 75% (seventy five percent) of the investors by value of their investment in the Fund, as per the AIF Regulations. In the case of distributions to the Contributors in kind by the Fund, the Fund may distribute, inter alia, listed and unlisted securities, suspended securities, etc. to Contributors. It is hereby clarified that in-specie distribution shall be made by the Investment Manager in accordance with the relevant Applicable Law.

## 2.13 **Transfer of Units**

2.13.1 Contributors are not permitted to exit from the Fund by transferring Units to another person. However, in certain cases, the Investment Manager, at its sole discretion, may permit such transfers or pledge of units in accordance with the terms of this Agreement and the AIF Regulations.

2.13.2 Any such transfer or pledge shall be undertaken in the manner specified by the Investment Manager and would be subject to restrictions, if any, contained in the AIF Regulations. Further, such transfer of units shall be subject to the relevant applicable stamp duty, in this regard

2.13.3 Every new contributor taken on record on account of such transfer/upon enforcing the pledge shall, subject to the terms of the Contribution Agreement, execute a deed of adherence acknowledging to be bound by the terms and conditions of the Fund Documents. Upon approval of the Trustees, every Contributor instituting a pledge of his units shall file the intimation of the same

by filing a Letter of Pledge with the Investment Manager.

## 2.14 Gating restrictions on withdrawal of units

2.14.1 Notwithstanding to the above paragraph, if as regards any Redemption Date, the Investment Manager receives such redemption requests, the fulfilment of which would result in the assets of the Fund to fall by 25% (Twenty five percent) or more in NAV terms, the Investment Manager will fulfil the Redemption Requests of all such Participating Unit-holders pro-rata to their Capital Contributions, in such a manner that the Scheme retains assets amounting to 75% (Seventy five percent) in NAV terms. In such a case the Investment Manager shall promptly fulfil the unfulfilled extent of the Redemption Requests of the concerned Participating Unit-holder(s) as soon as practicable and in accordance with the paragraphs above and this paragraph, and shall in any case fulfil the entire unfulfilled extent of the Redemption Request(s) within the next four (4) Redemption Dates following the Redemption Date in respect of which such redemption request(s) is originally made.

2.14.2 In case of a partial redemption on account of the applicable redemption limit of 25% (twenty five percent) of the Fund NAV, the Investment Manager will inform the Contributors about such partial redemption by way of written/electronic communication.

2.14.3 It is clarified that in respect of the Contributors receiving partial distribution of redemption proceeds in the manner as set out in **Clause 2.14.2** above, on the next Redemption Date, such Contributors will have priority over other Contributors with respect to the remainder of their redemption proceeds from the previous Redemption Date that the Contributors receiving pro-rata proceeds were entitled to, subject to the redemption limit of 25% (twenty five percent) of the Fund NAV.

## 2.15 Movement from one class of units to another class of units of the Fund

2.15.1 Movement of Units from one Class to another may be permitted by the Investment Manager at its sole discretion if a Beneficiary increases or decreases its Capital Contribution in the Fund. Further, it is hereby clarified that in case of decrease of Capital Contribution in the Fund for a Beneficiary, the Investment Manager may cause movement of the Units of such Beneficiary to another Class of Units in the Fund, for such Beneficiary in the Fund, such Class of Units being subject to a higher Management Fee, and Performance Fees, as may be relevant, on a prospective basis.

2.15.2 In relation to such movement of Units from one Class of Units to another, it is hereby clarified that the relevant Management Fee, and Performance Fees that shall be applicable on such moving class of Units shall be as per the Management Fee and Performance Fees applicable to the new Class of Units, to which an Investor has been moved.

## 2.16 Temporary Investments

- 2.16.1 The Investment Manager shall be entitled to invest the Capital Contributions in Temporary Investments. In relation to the above, it is hereby clarified that Temporary Investments shall be made on various occasions and the indicative holding period of the same shall vary accordingly, as the timing for such Temporary Investments shall be a function of the cash management activities of the Fund.
- 2.16.2 The amounts received by the Fund during the offer period during which units of the Fund are offered for subscription to Investors, or prior to any dealing day during which request for subscriptions or redemptions of units are processed by the Fund; would be invested in Temporary Investments for not more than 90 (ninety) days. Further, the amounts that may be kept aside to meet expenses of the schemes would be invested in Temporary Investment for an indicative period between 3 (three) to 6 (six) months.

## 2.17 Giveback by the Investors

- 2.17.1 The Investment Manager or the Trustee, in prior consultation with the Investment Manager, may require a holder of Class A Units, Class B Units, Class C Units, Class D Units (including any former or existing Contributor) to return the redemption proceeds (at the relevant exit value) made to such Beneficiary in order to satisfy the Beneficiary's pro-rata share of any obligations or liabilities of the Fund (including any taxes and indemnification obligations).
- 2.17.2 The obligation to return such redemption proceeds may also continue beyond the date of relevant redemption, by providing a notice to the Contributors for the same. However, no Contributor will be obliged to repay to the Fund any part of the redemption proceeds received by it, after (i) with respect to any non-tax related obligations of the Fund, the expiration of a period of 3 (three) years from the end of the financial year of the date of relevant redemption and (ii) with respect to any tax-related obligations of the Fund, post the expiration of the period prescribed under Applicable Law for payment of such tax-related obligations of the Fund.
- 2.17.3 If the Contributor pays an amount in discharge of the Contributor's giveback obligations under this **Clause 2.17** in respect of any identified obligation, liability or claim ("**Identified Claim**"), and if the Fund subsequently recovers such amount from a third party under a claim in respect of such Identified Claim, then the Fund shall pay to Contributor an amount equal to the sum recovered by the Fund from the third party in respect of such Identified Claim, subject to a maximum of an amount equal to the amount paid by the Contributor to the Fund in discharge of its giveback obligations in respect of such Identified Claim, less any costs incurred by or on behalf of the Fund in recovering such sum from the third party.

## 2.18 Side Letters

- 2.18.1 Subject to the Applicable Law, the Investment Manager, without further act,



approval or vote of a Contributor, may from time to time enter into letter agreements or other similar agreements (collectively, “**Side Letters**”) with one or more Contributors which provide such Contributors with additional and/or different rights with respect to the following clauses:

Commercial terms:

- (a) Transfers,
- (b) Management Fee terms,
- (c) Performance Fee,
- (d) Any of the Administrative Expenses,
- (e) Representations and warranties,
- (f) Most favoured investors (“**MFN**”).

Non-commercial terms

- (a) Representations and warranties
- (b) Reporting obligations
- (c) Confidentiality obligations

the above terms being different than such terms that other Contributors have, pursuant to the Memorandum.

2.18.2 The list of terms on which differential rights shall not be offered by the Fund (including but not limited to):

- (a) Contribution to Indemnification Obligations
- (b) Giveback

2.18.3 However, the Investment Manager will not be required to offer such additional and/or different rights and/or terms to any or all of the other Contributors.

2.18.4 It is hereby clarified that nothing in the terms of Side Letters shall have any adverse impact on the economic or any other rights of other investors. Further, nothing under the Side Letters shall alter the rights of the other investors available to them under their respective contribution agreements.

## 2.19 **Persons admitted as Contributors**

The Trustee and the Investment Manager shall deal only with Persons named or admitted as Contributor to the Fund in accordance with this Agreement. Any distribution by the Trustee to a Person shown on the Trustee’s or Investment Manager’s

records as a Contributor or to such Person's legal nominee/ representative, or transferee, or lawful assignee, having the right to receive Fund distributions as provided therein, shall absolve the Trustee and the Investment Manager of all liability to any other Person who may be interested in such distribution by reason of any other assignment by the Contributor or by reason of its incapacity or for any other reasons.

## 2.20 **Payment of Stamp Duty**

The Contributor/Investor shall bear the stamp duty (including stamp duty in relation to issuance of Units) and other charges and expenses payable in connection with execution, registration or notarisation of these presents.

## 2.21 **Limitation to Liability of the Contributor:**

2.21.1 Except to the extent of the Contributor's obligation to pay Capital Commitment or any other amounts as specifically set forth herein, the Contributor shall not have any personal liability whatsoever in his capacity as Contributor whether to the Fund or to any of the other Contributors or to the creditors of the Fund, for the debts, liabilities, contracts or any other obligations of the Fund or for any losses of the Fund. Provided however, the Trustee or the Investment Manager, may require the Contributor, to return distributions made to the Contributor for the purpose of meeting the Contributor's *pro rata* share of any liability, including tax liability, obligations or commitments of Fund for the period the Contributor was a Unitholder of the Fund.

2.21.2 Notwithstanding anything contained in this Agreement, in the event that the Trustee or the Investment Manager is held to be the representative assessee of the Contributor, the Trustee in consultation with the Investment Manager shall have the right to call for additional Capital Contributions and make appropriate provisions while making any distribution, to the extent of any tax liability of the Fund and / or Contributors on the Portfolio Investments.

## 2.22 **Investment Manager**

The Investment Manager shall undertake the administration and management of the assets of the Fund. The Investment Manager shall act as an independent agent of the Fund and take decisions on investments / divestments for the Fund and administer the operations of the Fund in accordance with the powers delegated by the Trustee under the Investment Management Agreement and in compliance with the AIF Regulations. The Investment Manager is also permitted to delegate certain of its investment management and operational responsibilities to its Affiliates and independent service providers in accordance with the requirements of the AIF Regulations.

## 2.23 **Independent consultation**

The Contributor confirms that it has been advised to consult with its attorney regarding legal matters concerning the Fund as well as with independent tax advisors regarding the tax consequences of investing into the Units of the Fund and gains earned therefrom. The Contributor is apprised that the Trustee or the Investment Manager or the Fund has provided no warranty or assurance regarding the ultimate availability of

any tax benefits either to the Fund or to the Contributor by reason of the Contributor's investment into the Fund or otherwise and the Trustee and/or the Investment Manager has provided no warranty or assurance about the performance of and/or returns of the Fund.

#### 2.24 **No management rights**

The Contributor shall not have the right or power to participate in the management or affairs of the Fund, nor shall the Contributor have the power to represent, sign for or bind the Fund. The exercise by the Contributor of voting right conferred herein shall not be construed to constitute participation by the Contributor in the control or management of the affairs of the Fund. It is further clarified that in no event the Contributor shall have any right to manage the investments or divestments of the Fund or take any other decision which the Trustee or Investment Manager is entitled to take. The rights of the Contributor shall be limited to the extent expressly provided in this Agreement.

#### 2.25 **Limited recourse**

The Units constitute limited recourse obligations of the Fund. Any distributions on the Units or exit of Units are payable by the Trustee / Investment Manager solely from the Contribution Fund in accordance with **Clause 2.11** and the Trustee / Investment Manager has no other obligation to make any distributions in respect of the Units. None of (i) the Trustee / Investment Manager, their respective affiliates, and their respective directors, officers, employees, members, shareholders, representatives, agents, partners, external advisors and consultants; and (ii) any officer, director, employee, direct or indirect partner, member, shareholder, external advisor, consultant or specified agent of the Fund designated as such by the Trustee/ Investment Manager; shall be obligated to make any distributions in respect of the Units. The Contributor must rely solely on the income generated from Portfolio Investments for any returns / distributions on the Units. There can be no assurance that income generated from Portfolio Investments shall be sufficient to make distributions on the Units. Further, the Trustee's / Investment Manager's ability to make distributions on the Units shall be constrained by the terms of the issue of the Units. If the Contribution Fund is insufficient to make distributions on the Units, no other assets of the Trustee / Investment Manager / Settlor shall be available for payment of the deficiency, and, following the realisation/liquidation of all the Portfolio Investments and termination of the Fund, the Trustee / Investment Manager / Settlor shall have no further obligations in respect of the Units. Notwithstanding anything contained in the Fund Documents, the Contributor shall have no recourse against the Trustee / Investment Manager in respect of any actions taken by the Trustee / Investment Manager in accordance with the Fund Documents.

#### 2.26 **Joint Contributors**

Subject to the AIF Regulations, Capital Contributions made by a Contributor along with their relatives (set out in the **Second Schedule** of this Agreement), as indicated to the Investment Manager at the time of entering into the relevant Contribution

Agreement, shall be consolidated by the Investment Manager for the purpose of determining the eligibility of such Contributor with respect to the class of Units to be issued to such Contributor group. Please refer to the **Second Schedule** of this Agreement for provisions related to Joint Contributors.

## 2.27 **Compliance with Applicable Laws**

- 2.27.1 Contributors will be required to comply with the request of the Fund or Trustee or the Investment Manager to furnish such information/documentation/declarations as and when deemed necessary by the Investment Manager in accordance with the Applicable Laws including any compliances under the Income-tax (11th Amendment) Rules, 2015 notified by the Central Board of Direct Taxes (“**FATCA Implementation Rules**”).
- 2.27.2 If the Fund and/or the Investment Manager is required by Applicable Laws, including the FATCA Implementation Rules, to provide information regarding the Fund and/or the Contributors to any regulatory authority and/or the Portfolio Investments and/or income therefrom, and the Fund and/or the Investment Manager complies with such request in good faith, whether or not it was in fact enforceable, they shall not be liable to the Contributors or to any other party as a result of such compliance or in connection with such compliance.
- 2.27.3 The provisions of the FATCA Implementation Rules are relevant not only at on-boarding stage of Contributors but also throughout the life cycle of investment with the Fund. Contributors therefore should immediately intimate to the Fund/the Investment Manager, any change in their status with respect to any FATCA Implementation Rules related information/ documentation/ declarations provided by them previously.
- 2.27.4 In case the Contributor fails to furnish the relevant information / documentation / declarations in accordance with the Applicable Laws, the Fund reserves the right to reduce or exit the Units held directly or beneficially, in accordance with this Agreement and may also require reporting of such Contributors and/or levy of withholding Tax on payments made to the Contributors and/or take any other action/s in accordance with Applicable Laws.]

## 2.28 **Drawdown**

Subject to the minimum Capital Contribution amount as provided in the Memorandum and the AIF Regulations, all Capital Commitments by Unitholders can be drawn down by the Investment Manager in tranches pursuant to drawdown notices given by the Investment Manager. Contributors of the Fund may be required to make a Capital Contribution to the Fund as and when required by the Investment Manager in the ratio of the undrawn Capital Commitment of the Contributor. The Contributors will have to make the Capital Contributions within the dates specified in the Drawdown Notice. The Drawdown Notice may be sent by the Investment Manager through electronic mail and / or courier at the address as specified by the Contributor in this Agreement.

## 3. **Remuneration, Fees and Fund Expenses**

### 3.1 Management Fees

- 3.1.1 Payment of the Management Fee by the holders of Class A Units, Class B Units, Class C Units and Class D Units to the Investment Manager shall accrue and be payable on a daily basis from the end of the relevant dealing day and to be paid monthly in arrears at the below-mentioned rates calculated on daily weighted average basis, on the prevailing NAV of the Units:

<b>Class of Units</b>	<b>Management Fee</b>
Class A Units	1.45% (One Point Fourty Five percent) per annum on the prevailing NAV of the Units
Class B Units	1.45% (One Point Fourty Five percent) per annum on the prevailing NAV of the Units
Class C units	1.45% (One Point Fourty Five percent) per annum on the prevailing NAV of the Units
Class D units	1.45% (One Point Fourty Five percent) per annum on the prevailing NAV of the Units

- 3.1.2 The Management Fee payable to the Investment Manager as specified in **as** above, shall be exclusive of all applicable goods and services tax leviable on such Management Fee, and all applicable goods and services tax (together with surcharge or cess as may be applicable) leviable on such Management Fee shall be paid by the relevant Class of Unitholders.
- 3.1.3 The Investment Manager may, in its sole and absolute discretion, waive or reduce the Management Fee charged to any Class of Units (all such arrangements in the form of a rebate or otherwise).
- 3.1.4 A pro rata Management Fee will be charged to the relevant Class/ Series (as applicable) on any subscriptions accepted by the Investment Manager in the midst of any applicable period. The Investment Manager may, in its sole and absolute discretion, waive or reduce the Management Fee charged to any Series or Class.
- 3.1.5 If the Investment Management Agreement is terminated at any time, for any reason whatsoever, the Investment Manager will be entitled to a proportionate Management Fee as of the date of the termination.
- 3.1.6 *Entry Load*: An Investor, that has been sourced by the Investment Manager, for the Fund through distributors, arrangers or placement agents, as may be applicable, will be required to pay a one-time entry fee up to of 2% (two percent) on the aggregate Capital Contribution (“**Entry Load**”). Entry Load may be charged by the Investment Manager, at its discretion, to Class B Units, The Entry Load Fee payable to the Investment Manager shall be exclusive of

all goods and services tax leviable on such Entry Load Fee, wherein the applicable goods and services tax applicable to such Entry Load Fee (together with surcharge or cess as may be applicable) shall be borne by the relevant Contributor.

- 3.1.7 The Entry Load paid to the Investment Manager shall be inclusive of any goods and services tax payable on the same.
- 3.1.8 The Investment Manager may, in its sole discretion, waive part or all of the Entry Load.
- 3.1.9 It is clarified that such that Investor that has been sourced by the Investment Manager, for the Fund through distributors, arrangers or placement agents, as may be applicable, will, at the discretion of the Investment Manager, not be required to pay the Entry Load. Such Investor shall only be required to contribute towards the balance amount of Entry Load (if any).
- 3.1.10 No Units will be allotted against such Entry Load paid by the Contributor.

### 3.2 **Trusteeship Fee**

- 3.2.1 The Trustee shall, for acting as the Trustee and discharging its functions and responsibilities as the Trustee, be entitled to receive from the Fund, a one-time acceptance fee and an annual fees (plus applicable taxes) per Scheme as may be mutually agreed between the Trustee and the Investment Manager, and subject to any increment as may be contemplated under the trusteeship services agreement between the Trustee and the Investment Manager.
- 3.2.2 Further, it is hereby clarified that the Trusteeship Fee shall be paid from the corpus of the Fund from the Administrative Expenses.

### 3.3 **Fund Expenses**

- 3.3.1 *Organisational Expenses and Administrative Expenses*: The Fund shall charge Organisational Expenses and Administrative Expenses, at actuals per annum of the average daily assets under management of the Fund. The Organisational Expenses and Administrative Expenses shall be charged, as follows:
- 3.3.2 *Organisational Expenses (Set up Cost)*: The Fund's non-recurring establishment expenses, including those attributable to the formation and set-up of the Fund (inclusive of the costs incurred towards the establishment of the Fund, travel expenses incurred in fund raising, setting up and offering costs, legal fees, trusteeship fees, accounting fees and professional expenses incurred in relation to the preparation and negotiation of the Fund Documents or any other documents applicable to the Fund in relation to the offering of the Units pursuant to the Memorandum, any placement fees, distribution fees or referral fees incurred in connection with the offering of the Units, establishment and registration expenses and fees, and such other costs directly attributable to the establishment of the Fund and obtaining various licenses, approvals and registrations), which will constitute the "**Organisational Expenses**".

- 3.3.3 Organisational Expenses will be charged on actuals and shall not exceed 1% of the of assets under management of the Fund (“**Organisational Expenses Limit**”). Any Organisational Expenses in excess of the Organisational Expenses Limit shall be borne by the Investment Manager.
- 3.3.4 *Set up Expenses*: The Fund shall charge Set up Expenses at actuals, subject to the Set up Expenses Cap. In case the it exceeds the Set up Expenses Cap, the amount over and above the same Cap shall be borne solely by the Manager. (cap will be 0.90% of AUM)
- 3.3.5 *Administrative Expenses*: The annual operational expenses (“**Administrative Expenses**”) of the Fund shall be charged on a monthly basis at 0.45% (zero point four five percent) p.a. of the assets under management for the Fund, at the discretion of the Investment Manager (“**Administrative Expenses Cap**”). The aggregate amounts over and above Administrative Expenses Cap shall be borne solely by the Investment Manager. Expenses incurred in the operation of the Fund:
- (a) Legal, accounting and audit, custodial, clearing, registrar or transfer agents, consulting and other professional fees;
  - (b) Banking, registration, qualification, finders, depository and similar fees or commissions;
  - (c) Trusteeship fees, plus service tax, goods and services tax and value added tax thereon;
  - (d) Costs of financial statements and other reports (including reports to Contributors) and meetings of Contributors;
  - (e) Communications, travel and other expenses, pertaining to Portfolio Investments;
  - (f) Expenses associated with maintenance of books of accounts and other records of the Fund (as applicable) by an external service provider;
  - (g) Administration, communication, operating, printing and stationery, and transactional expenses (including bank charges) incurred by the Fund;
  - (h) Statutory, legal, audit and any other third-party fees and Administrative Expenses related to the Fund (as applicable); and
  - (i) Reasonable premiums for insurance for protecting the directors, officers, partners, shareholders, employees and agents of the Trustee and Investment Manager of the Fund (as applicable).
- 3.3.6 The list of Administrative Expenses mentioned above is non-exhaustive in nature and shall be charged to the Fund at actuals or at a pre-defined rate, at the discretion of the Investment Manager, on a monthly basis.

3.3.7 For the purposes of calculation of the limits specified in **Clause 3.3.3** above in respect of the Administrative Expenses, the following expenses shall be excluded, and shall be chargeable to the Fund at actuals:

- (a) Management Fee;
- (b) Entry Load and Exit Load;
- (c) Brokerage cost and other similar transaction charges for executing the trades on the exchange;
- (d) Transfer, capital and other taxes, duties and costs incurred in acquiring, holding, selling or otherwise disposing of the Fund's assets and other statutory expenses;
- (e) Other expenses including commissions associated with the acquisition of, holding and disposition of the Fund's (as applicable) investments, excluding extraordinary expenses (including but not limited to litigation, any taxes, fees or other government charges levied against the Fund, if any);
- (f) Indemnification obligations, if any, of the Fund (as applicable);
- (g) Proportionate liquidation expenses of the Trust and the Fund (as applicable);
- (h) Any withholding amount and/or amounts payable as income tax; and
- (i) Any other extra-ordinary expenses borne by the Fund.

It is hereby clarified the above-mentioned Administrative Expenses shall not be subject to the Administrative Expenses Cap.

3.3.8 *Other expenses:* It is hereby clarified that marketing expenses in relation to offering of any Class of Units, including referral, placement and distribution fees and commissions to be paid to any intermediaries or agents shall be borne in the manner prescribed in this **Clause 3.3** above, wherever feasible and permissible under the AIF Regulations or relevant laws.

#### 3.4 **Expenses of the Investment Manager**

3.4.1 The Investment Manager will be responsible for and bear all its expenses in connection with management of the Fund. The Investment Manager shall bear all its operational and administrative expenses and make its own provision for the same, including the following:

- (a) office space, salary and personnel cost;
- (b) office equipment, administration, communication, and other related costs;



- (c) registration fee paid by the Investment Manager to the regulator;
- (d) Expenses in connection with meetings of the Contributors (travel, accommodation and out-of-pocket expenses of Contributors will be borne by themselves);
- (e) preparation of tax returns of the Investment Manager; and
- (f) Administrative Expenses exceeding the aforementioned limits.

#### **4. Representations and Warranties**

##### **4.1 Representation by the Trustee**

The Trustee shall hereby be deemed to have represented, assured and confirmed for the purposes of this Fund and undertaken as follows:

- 4.1.1 That it is duly incorporated under the laws of India and has the power to conduct its business as presently conducted and to enter into this Agreement;
- 4.1.2 That it has full power, capacity and authority to execute, deliver and perform this Agreement and has taken all necessary sanctions and approvals (corporate, statutory or otherwise) to authorise the execution, delivery and performance of this Agreement;
- 4.1.3 Nothing in this Agreement conflicts with the constitutional documents of the Trustee or any judgment, decree or order or any statute, rule or regulation applicable to it;
- 4.1.4 That it has no outstanding obligations or liabilities contingent or otherwise (including tax liabilities) which might materially and adversely affect its financial condition or the Fund;
- 4.1.5 That it is not currently engaged in or threatened by any litigation whose outcome might materially and adversely affect its financial condition;
- 4.1.6 That it has not issued nor agreed to issue any options over any of the Units of the Fund;
- 4.1.7 It has not incurred any indebtedness which is secured by any mortgage, charge or lien on the Fund or such that it is inconsistent with its duties, responsibilities and obligations towards the Fund or the Contributor;
- 4.1.8 It has not guaranteed or entered into any arrangement for guaranteeing the debts of any other company such that it is inconsistent with its duties, responsibilities and obligations towards the Fund or the Contributor;
- 4.1.9 All government approvals and statutory permissions as are necessary for the execution of this Agreement and for receiving the Contribution and issuance of

Units have been obtained either in principle or finally; and

4.1.10 The proceeds of the Contribution shall be used for the purposes mentioned in the Memorandum.

#### 4.2 **Representations by the Investment Manager**

The Investment Manager hereby represents, assures and confirms as follows:

4.2.1 It is duly incorporated under Indian law and has the power to conduct its business as presently conducted and to enter into this Agreement;

4.2.2 It has the power/capacity to enter into this Agreement;

4.2.3 It has the full 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 by it and this Agreement constitutes a legal, valid and binding obligation of the Investment Manager, enforceable against the Investment Manager in accordance with its terms;

4.2.4 Nothing in this Agreement conflicts with the constitutional documents of the Investment Manager or any judgment, decree or order or any statute, rule or regulation applicable to it;

4.2.5 The proceeds of the Capital Contribution shall be used for the purposes mentioned in the Memorandum.

#### 4.3 **Representation by the Contributor executing this Agreement**

The Contributor hereby represents, assures and confirms as follows:

4.3.1 In case of a Contributor other than an individual:

(a) It is duly incorporated/established under the laws of its jurisdiction and has the power to conduct its business as presently conducted;

(b) The copies of the certificate of incorporation and the charter / constituent documents, in case the Contributor is a body corporate, which have been certified and initialed by its authorized signatory/ director on behalf of the Contributor and furnished to the Trustee and/or the Investment Manager and/or other service providers of the Fund, are correct and complete and reflect all amendments made thereto prior to the execution of this Agreement; and

(c) None of the following have occurred and is subsisting and no notice in connection therewith has been served in relation to the Contributor:

(i) An application to a court for an order, or the making of any order, that it be wound up, that a liquidator, receiver or custodian be

appointed of the Contributor or any of its assets or that it be placed in bankruptcy;

- (ii) A resolution for winding up;
- (iii) The convening of a meeting or passing of a resolution to appoint a liquidator;
- (iv) A scheme of arrangement, amalgamation or reconstruction or composition with or without assignment for the benefit of, all or a class of creditors; and
- (v) The taking of any action to seize, attach, take possession of or appoint a custodian, receiver, liquidator or manager in respect of the Contributor or any of its shares or property.

#### 4.3.2 In case of an individual Contributor:

- (a) He is a resident of India as contemplated under the Foreign Exchange Management Act, 1999 and the Income-tax Act, 1961 (“**ITA**”) or an individual who is not a resident of India who is permitted to invest in the Fund; and
- (b) None of the following have occurred and is subsisting and no notice in connection therewith has been served in relation to the Contributor:
  - (i) An application to a court for an order, or the making of any order, that he be declared an insolvent or any of his assets be placed in bankruptcy; and
  - (ii) The taking of any action to seize, attach, take possession of or appoint a custodian, receiver, liquidator or manager in respect of any of his assets or property.

#### 4.4 **Conditions and Representations applicable to all Contributors**

Further the Contributor confirms the following:

- 4.4.1 The Contributor has the power, capacity and has obtained all requisite approvals, consents and registrations, as may be required under Applicable Laws and regulations, to enter into this Agreement and for making Capital Contributions to the Fund.
- 4.4.2 The Contributor has received, carefully read and understood the Fund Documents and accepts the terms, unconditionally.
- 4.4.3 The Contributor has reviewed, in particular, the section titled “Risk Factors” in the Memorandum and understands the risks of investing in the Fund.
- 4.4.4 The Contributor has duly executed this Agreement and all the details relating to

the Contributor as given to the Investment Manager and/ or the Trustee and/or other service providers of the Fund in this Agreement are true, correct and valid in all respects (including the details of its bank account, Permanent Account Number and other KYC documents);

- 4.4.5 The Contributor is aware of the provisions of Prevention of Money Laundering Act, 2002 and is not in contravention of any of its provisions;
- 4.4.6 Copies of Permanent Account Number and proof of tax residence/declaration (if applicable), provided by the Contributor in the format set out in the **Exhibit B** supplied/given by it, are true, correct and valid;
- 4.4.7 The Contributor has the full power, capacity and authority to execute, deliver and perform this Agreement and has taken all necessary sanctions and approvals (corporate, statutory or otherwise) to authorise the execution, delivery and performance of this Agreement by the Contributor and this Agreement is the legal, valid and binding obligation of the Contributor, enforceable against the Contributor in accordance with its term;
- 4.4.8 The Contributor is not a party to or otherwise bound by any agreement which would in any way affect the performance of its obligations under this Agreement and there are no existing or threatened actions or proceedings against the Contributor which, if decided against the Contributor, would have a material adverse effect on the Contributor or the Contributor's business, properties and assets or on its ability to perform its/his obligations under this Agreement;
- 4.4.9 The Contributor acknowledges that in making a decision to make Capital Contributions towards the Units in the Fund, the Contributor has relied only on the information set forth in the Fund Documents. The Contributor understands that no Person has been authorized to make any representations concerning the Fund which are inconsistent with those contained in the Fund Documents.
- 4.4.10 The Contributor represents that, in subscription to the Units of the Fund, it is not relying upon any written or oral statements of any employee, officer or other personnel of the Fund, the Investment Manager, the Trustee, any placement agent, any affiliate of the foregoing or any other Person other than the statements contained in the Fund Documents.
- 4.4.11 The Contributor does not and shall not rely on the Investment Manager, the Trustee, any affiliate of the foregoing or any other Person or entity with respect to the legal, tax and other economic considerations involved in this investment, other than the Contributor's own advisors. The Contributor has not considered the contents of the Memorandum to be legal or tax advice.
- 4.4.12 The Contributor's investment in the Units of the Fund is consistent with the investment purposes, objectives and cash flow requirements of the Contributor and shall not adversely affect the Contributor's overall need for diversification and liquidity.
- 4.4.13 The Contributor shall, at all times until termination of this Agreement, adhere

to the applicable laws of India, including but not limiting to any provisions of, or regulations framed, or notifications issued under, the Foreign Exchange Management Act, 1999 and the SEBI Act, 1992. Further, the Contributor shall ensure that its investments into the Fund is in accordance with the laws of India and the Contributor shall adhere to the terms and conditions as may be prescribed by any statutory or governmental authority, as may be required for making investment into the Fund

#### 4.5 **Conditions and Representations applicable to Contributors representing Underlying Beneficial Owners**

If the Contributor is acting as an agent, representative, intermediary, nominee or in a similar capacity for one or more natural persons, entities, nominee accounts or beneficial owners (each such person or entity, if any, for whom the Contributor acts as agent, representative, intermediary, nominee or in a similar capacity, an “**Underlying Beneficial Owner**”), the Contributor confirms the following:

- 4.5.1 The Contributor understands and acknowledges that the representations, warranties and agreements made in this Agreement are made by the Contributor with respect to both the Contributor and each such Underlying Beneficial Owner;
- 4.5.2 The Contributor has all requisite power and authority from each such Underlying Beneficial Owner to execute (including the making of representations herein) and perform the obligations under this Agreement;
- 4.5.3 The Contributor has carried out thorough due diligence as to, and established the identity of, each such Underlying Beneficial Owner in accordance with applicable Prevention of Money Laundering guidelines of India, holds the evidence of such identities and will make such information available to the Fund, Trustee and the Investment Manager upon their reasonable request;
- 4.5.4 The Contributor does not have the intention or obligation to sell, pledge, distribute, assign or transfer all or a portion of the Units to any person (whether directly or indirectly, including, without limitation, through any option, swap, forward or any other hedging or derivative transaction) other than any such Underlying Beneficial Owner; and
- 4.5.5 In the event of any change in the beneficial ownership of the Units, the Contributor undertakes to promptly notify and provide the relevant information/documents requested by the Fund or the Investment Manager.

#### 4.6 **Acknowledgment**

Each Party acknowledges that it has made representations hereinabove on the faith and strength whereof the Parties have entered into this Agreement. Each Party warrants that each of its representations is true and correct and is not misleading in any material aspect. Further, the Investment Manager may, reject the application of the Contributor, should it fail to meet, or have misrepresented, the ‘Know Your Customer’ norms of the Fund. The Contributor understands, agrees and acknowledges that an investment in the

Fund involves a high degree of risk and is suitable only for those Persons who can bear the economic risk of the loss of their entire investment and who have limited need for liquidity in their investment. Additional risks and uncertainties not presently known to the Investment Manager, or that it currently deems immaterial, may also have an adverse impact on the Fund prospects and business. Further, the Contributor also understands, agrees and acknowledges that there can be no assurance that the Fund's investment objectives shall be achieved, or that the Contributor shall receive a return of Capital Contributions and/or a return on its Capital Contributions.

## **5. Removal of the Investment Manager**

5.1 The Trustee may at the written direction of Super-Majority of the Contributors remove the Investment Manager by giving a notice to the Investment Manager only in the event the existence of the following circumstances is demonstrated as adjudicated pursuant to a final, non-appealable order, of the highest court of competent jurisdiction (“Cause Act”), which is not capable of being remedied, or if capable of being remedied, the Investment Manager fails to remedy the same within 60 (Sixty) days after the service of notice by the Trustee requiring the same to be remedied (“Cause”):

5.1.1 the Investment Manager, in carrying out its duties under the Agreement, has acted with gross negligence, reckless disregard or bad faith;

5.1.2 the Investment Manager is in material breach of its material obligations under the terms of the Investment Management Agreement for which a written notice has been served upon the Investment Manager specifying the nature of breach and the Investment Manager has failed to cure such default within a reasonable period;

5.1.3 proceeding of bankruptcy, insolvency, administration, involuntary reorganization or similar proceedings have been filed against the Investment Manager; or

5.1.4 the Investment Manager has engaged in any criminal conduct proven before a court of law and has been convicted for the same.

Provided such removal will be effected within 120 (one hundred and twenty) days from the date of service of such notice of Cause Act to the Investment Manager. In the event the Cause is on account of Cause Act by an employee of the Investment Manager, termination of such employee by the Investment Manager shall be considered as a suitable cure for such Cause.

5.2 In the event the appointment of the Investment Manager is terminated for Cause, the Investment Manager shall be entitled to receive (i) Performance Fees up to the date of occurrence of the Cause by the Investment Manager, and (ii) any fees, accrued and not paid, up to the date of removal of the Investment Manager.

5.3 In the event of the removal of the Investment Manager, the Investment Manager shall do such things as are reasonably required to ensure that the new investment manager, appointed to replace the Investment Manager, can exercise the Investment Manager's powers and has all information and records relating to the affairs of the Fund held by

the Investment Manager and necessary for the new investment manager to carry on its duties as the new investment manager. The new investment manager shall be selected by a simple majority vote of the Contributors.

## **6. Reports**

6.1 The Contributors will receive via means of electronic communication such as email or in any other format as the Investment Manager may decide, the following information, as per the terms of the AIF Regulations:

- (a) Disclosure of NAV at intervals not longer than 1 (one) month;
- (b) Quarterly report within 60 (sixty) calendar days from the end of the relevant quarter;
- (c) Statement of accounts, within 30 (thirty) calendar days from the date of receipt of the Capital Contributions;
- (d) Annual investor reports, within 180 (one hundred and eight) calendar days from end of the relevant Fiscal Year, briefly summarizing the portfolio of the fund;
- (e) Information regarding the income of the Fund reasonably necessary for income tax purposes; and
- (f) Any other information as may be required to be disclosed as per the Fund Documents or under Applicable Laws.

6.2 The Fund shall provide such information in accordance with the provisions of the AIF Regulations including information regarding the income of the Fund as may be requested by a Unitholder which may be reasonably necessary for income tax filings by such Unitholder.

## **7. Valuation**

7.1 The Trustee shall ensure that the calculation of the NAV is independent from the fund management function and such NAV shall be disclosed to the investors at intervals not longer than 1 (one) month. Further, the calculation of the NAV shall be done by the Investment Manager at the closing of each Subscription Date or Redemption Date, as may be relevant.

7.2 The frequency of calculation of NAV will be daily.

## **8. Waiver not to impair rights**

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, or under the Indenture (as modified from time to time) 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.

## **9. Indemnity**

- 9.1 The Fund shall indemnify and hold harmless the Trustee, the Investment Manager, the Settlor, the Sponsor, and their Affiliates, respective partners/directors, employees, and agents, and any person who serves at the request of the Investment Manager on behalf of the Fund (each a “**Protected Person**”) from and against any and all tax and other liabilities, claims, costs, losses, damages and expenses (including reasonable attorney’s fees and costs) arising out of or in connection with the Fund, including on account of any payment of distributions to the Beneficiaries through electronic mode, except where the Protected Person is adjudicated by a final, non-appealable order of the highest court of competent jurisdiction to have committed actions (or omissions) constituting gross negligence, willful misconduct or fraud.

## **10. Limitation on Liability**

- 10.1 The Trustee and the Investment Manager shall incur no liability in respect of any action taken or thing suffered by it in reliance upon any notice, resolution, direction, consent, certificate, affidavit, statement, certificate of stock, plan of reorganization or (without being limited in any way by the foregoing) other paper or document believed to be genuine and to have been passed, sealed or signed by appropriate authorities or entities, except where the Trustee and/or the Investment Manager is adjudicated by a final, non-appealable judgment of a court of competent jurisdiction to have committed actions (or omissions) constituting gross negligence, wilful default, willful misconduct or fraud.
- 10.2 Notwithstanding anything contained herein, the Trustee and the Investment Manager shall incur no liability for any act or omission, done or omitted to be done, in good faith and with *bona fide* intentions. The Trustee and the Investment Manager shall incur no liability to the Contributors for doing or (as the case may be) failing to do any act or thing which by reason of:
- 10.2.1 any provision of any present or future law or regulation made pursuant thereto;
- 10.2.2 any decree, order or judgment of any court;
- 10.2.3 any *force majeure* event;
- 10.2.4 any request, announcement or similar action (whether of binding legal effect or not) which may be taken or made by any person or body acting with or purporting to exercise the authority of any government (legally or otherwise), it shall be directed or requested to do or perform or to forbear from doing or performing such act or thing. If for any reason it becomes impossible or impracticable to carry out any of the provisions of these presents, the Trustee or Investment Manager shall not be under any liability therefore or thereby.
- 10.3 The Investment Manager and/or Trustee shall not be responsible to the Contributor for authenticity of any signature or of any seal affixed to any endorsement on any certificate or to any Transfer or form of application endorsement or other document affecting the title to or transmission of Units or of any investments of the Fund or be in any way



liable for any forged or unauthorised signature or seal, provided that reasonable care is exercised by the Investment Manager in this regard. The Investment Manager and/or Trustee shall be entitled but not bound to require that the signature of the Contributor to any document required to be signed by him under or in connection with these presents shall be verified to its reasonable satisfaction.

- 10.4 Any indemnity expressly given to the Investment Manager in these presents is in addition to and without prejudice to any indemnity or right of contribution allowed by law provided nevertheless that any provision of these presents shall be void insofar as it would have the effect of exempting the Investment Manager from or indemnifying it against any liability which by virtue of any rule of law would otherwise attach to it in respect of fraud, wilful default, gross negligence or wilful misconduct of the Investment Manager in the discharge of its duties as the Investment Manager to the Fund as proven by the highest court of competent jurisdiction.
- 10.5 Nothing herein contained shall be construed so as to prevent the Investment Manager from separately promoting, organizing, managing or advising any additional fund(s) or other investment vehicle(s) separate and distinct from the Fund with objectives of investing into identified sector(s) including sectors that may form a part of the sectors into which the Fund is entitled to or proposes to invest in and retaining for their own use and benefit all remuneration, profits and advantages which they may derive therefrom.
- 10.6 If the Trustee and the Investment Manager is requested by any regulatory authority to provide it with any information regarding the Fund or Contribution Fund and /or the Contributor and the investments and income of the Fund and provisions of these presents, and complies with such request in good faith, whether or not it was in fact enforceable, the Trustee or the Investment Manager shall not incur any liability to the Trustee/Contributor or to any other party as a result of such compliance or in connection with such compliance. However, it shall duly inform the Trustee/Contributor of the same.
- 10.7 The Trustee and the Investment Manager shall not incur any liability by reason of any loss, which the Contributor may suffer by reason of any depletion in the value of the Contribution Fund, which may result by reason of fluctuation in the rate of exchange, interest rates or any other economic, political, regulatory, fiscal or capital market developments or by fluctuation in the market price of any of the Portfolio Investments of the Fund.
- 10.8 The Investment Manager shall not be liable to the Trust or any Contributor for the negligence, part-performance, dishonest or bad faith of any agent acting on its behalf, provided that such agent was selected, engaged and retained by the Trustee or the Investment Manager in good faith. The appointment and delegation of any powers by the Trustee or the Investment Manager in relation to the Fund shall be deemed to have been made in good faith.
- 10.9 The Trustee and the Investment Manager shall not be liable to the Fund or to any Contributor for any tax or legal liability of the Fund.

## **11. Conflict of Interest**

Conflicts of interest may arise in *inter se* the activities of the Investment Manager, the Trustee, and the Contributors vis-à-vis the operation of the Fund. The Contributor acknowledges that matters relating to conflict of interest as contemplated in the Memorandum shall be dealt with in the manner and subject to the terms contemplated therein. Further, the Contributor hereby agrees and acknowledges that he has read and understood the conflicts of interest listed in section titled ‘Conflicts of Interest’ of the Memorandum.

## **12. Miscellaneous**

12.1 Notwithstanding anything contained in this Agreement, the provisions of the Indenture unless the same are inconsistent with the provisions contained in this Agreement shall apply mutatis mutandis to these presents. In case of any conflict between the provisions of this Agreement, the Memorandum and the Indenture, the provisions of the Indenture shall prevail and in the event of a conflict between the provisions of this Agreement and the Memorandum, the provisions of this Agreement shall prevail. However, in such an eventuality, best endeavours shall be made to achieve harmonious construction, taking into account all relevant documents, including the Memorandum and the Trustee’s interpretation in this regard shall be final and binding. The Trustee shall take adequate steps to amend the Indenture to bring about harmonious construction; provided however, the basic framework of the Indenture shall not be amended i.e., its intent or purpose.

12.2 For administrative and operational convenience, the Trustee may, from time to time, with prior written consent of the Investment Manager, delegate to any committee or any other person, any powers and duties including management of the Contribution Fund vested in it under the Indenture and this Agreement. Such delegation shall be recorded in writing either by way of an agreement or otherwise, detailing such committee or Person’s powers, responsibilities and duties. Such written agreement shall also contain the Trustee’s power to ensure the due performance by such committee or a person and that committee or person’s liability for non-performance, misfeasance, failure, gross negligence and other material breaches and accountability and indemnification in favour of the Trust/Trustee. Except as stated in case of the Trustee delegating its powers to any other Person or committee without the consent or knowledge of the Investment Manager, any action taken by such appointed committee or Person in respect of the Fund, shall be construed as an act done by the Trustee, and the Trustee shall be liable to indemnify the Contributors and the Investment Manager.

### **12.3 Approvals**

Unless otherwise agreed by the Contributor, the Investment Manager shall approach the Contributor for obtaining all consents and approvals required under the AIF Regulations.

### **12.4 Service of notice**

12.4.1 All notices and other communications by the Parties shall be deemed to have been effectively made if sent in writing, by electronic or physical mode) at the following address:

(a) *In the case of notices to the Trustee:*

Address : Universal Insurance Building, Ground floor, Sir P M Road, Fort, Mumbai- 400 001  
Telephone : 91 22 4080 7000  
E-mail : [gaury@idbitrustee.com](mailto:gaury@idbitrustee.com), ashishnaik@idbitrustee.com  
Attn. : Ms. Gauri Nimkar/ Mr. Ashish Naik

(b) *In the case of notices to the Investment Manager:*

Address : 6-3-652, IV Floor, Kautilya Amrutha Estates, Somajiguda, Hyderabad-500082  
Telephone : 040 -40526279  
E-mail : [compliance@bnrsecurities.com](mailto:compliance@bnrsecurities.com), crathi@bnrsecurities.com  
Fax : 040-40526283  
Attn. : Ms. Sabita Reddy/ Mr. Chetan Rathi

(c) *In the case of notices to the Contributor:* As provided in the account opening booklet.

12.4.2 Any notice or request to be given or made to the Parties shall be in writing and signed by the sender (if an individual) or authorized officer of the sender (if non-individual).

12.4.3 Such notice or request shall be deemed to have been given or made:

- (a) In the case of e-mail, the delivery is deemed to have been made in 24 (Twenty Four) hours from the electronic mail being sent;
- (b) If sent by post or registered AD, the delivery is deemed to have been made 7 (Seven) calendar days after the posting;
- (c) If sent by the courier, the delivery is deemed to have been made by the next day, from the date on which it is received by the Party; and
- (d) If sent by fax, the delivery is deemed to have been made on the date and time shown in the transmission report.

12.4.4 Any Party may, from time to time, change its address or representative for receipt of notices provided for in this Agreement by giving to the other Parties not less than 10 (ten) days prior written notice in the same manner provided.

12.4.5 The Contributor shall be required to provide proof of change of its address, failing which the Investment Manager shall continue to send the notices to the original address of the Contributor. The notice sent to the previous address will be deemed to be notice issued in accordance with the terms of this agreement.

## 12.5 **Overriding effect**

This Agreement (deemed to include its Schedules) 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. No modification, amendment or waiver of any Agreement term shall be binding unless executed in writing by the party or parties to be bound.

## 12.6 Confidentiality

12.6.1 Each Party agrees and undertakes that it shall not disclose, and shall ensure that its directors, trustees, officers, managers, employees (including those on secondment), affiliates, legal, financial and professional advisors, (collectively, “**Representatives**”) to whom Confidential Information is made available do not disclose, to any third party any Confidential Information without the prior written consent of the other Party.

12.6.2 The provisions of above shall not apply to:

- (a) disclosure of information that is or comes into the public domain or becomes generally available to the public otherwise than through the act or omission in breach of this Agreement;
- (b) disclosure by a Party to its Representatives on a ‘need-to-know’ basis for the purpose of evaluating, implementing, reviewing or analyzing this Agreement, the Scheme Documents, any Investee Company or proposed Investee Company, or other existing or proposed investments of the Schemes, or any transaction or claim involving the Schemes or any exiting or proposed Investee Company or other existing or proposed investment of the Schemes;
- (c) disclosure to the extent required or advisable under the rules of any stock exchange or applicable laws or judicial process, as determined in good faith by the Trustee or the Investment Manager;
- (d) information disclosed to the extent required for setting up and obtaining or maintaining any governmental approvals relating to the Scheme and / or Trust (as applicable);
- (e) information disclosed for the purpose of marketing the Scheme and / or Trust (as applicable) or any direct or indirect interest in the Scheme and / or Trust (as applicable), or any other fund / scheme marketed by the Investment Manager, or for the purpose of permitting any Contributor or any indirect investor to obtain or maintain any required governmental approval, or to comply with applicable law or with its organizational documents or reporting obligations;
- (f) disclosure by or on behalf of the Scheme and / or Trust (as applicable), the Trustee or the Investment Manager for the purpose of complying with obligations under the Scheme Documents and the AIF Regulations, including reporting to the Contributors or for any transfer of units or exchange of information with any Investee Companies or with any potential investee companies;
- (g) disclosure on a need-to-know basis by the Trustee or the Investment Manager to the extent necessary to protect the interests of the Scheme and

/ or Trust (as applicable) and /or Contributors, as determined in good faith by the Trustee or the Investment Manager including to the distributors and/or placement agents whose services are utilized by the Trustee and/or the Investment Manager;

- (h) disclosure for the purpose of performing obligations or exercising rights (including remedies) under this Agreement.

#### 12.7 **Effective date of Agreement**

This Agreement shall become binding on the Parties on and from the date first above written.

#### 12.8 **Partnership or agency**

Nothing in this Agreement shall constitute or be deemed to constitute a partnership or agency between any of the Parties or Contributors inter-se hereto and none of them shall have any authority to bind the other in any way.

#### 12.9 **Deed of Adherence**

In the event of Transfer of Units by the Contributor, as contemplated in **Clause 2.13** is undertaken, the new contributor shall execute a Deed of Adherence substantially in accordance with the form attached as the **Exhibit A** hereto, to the satisfaction of the Investment Manager and the Trustee, acknowledging to be bound by the terms and conditions of the Fund Documents. Costs and duties with respect to such Deed of Adherence shall be borne by the new contributor.

#### 12.10 **Governing law**

The provisions of this Agreement shall be governed by and construed in accordance with the laws of Republic of India and subject to the provisions of the courts of Mumbai shall be the forum for the administration hereof.

#### 12.11 **Arbitration and Dispute Resolution**

12.11.1 The Parties to this Agreement hereby agree that they intend to discharge their obligations in utmost good faith. The Parties therefore agree that they will, at all times, act in good faith, and make all attempts to resolve all differences howsoever arising out of or in connection with this Agreement by discussion failing which, by arbitration.

12.11.2 The Parties agree that the discussions shall be held in the spirit of resolution of the issues that have arisen between them with the intention of resolving the issues amicably at the earliest. If the applicant is not satisfied with the outcome of the discussions, within 15 (fifteen) calendar days from the receipt of the response, it shall resort to arbitration.

12.11.3 The Parties shall be bound to submit all disputes and differences howsoever arising out of or in connection with this, to arbitration by three arbitrators: one each appointed by the disputing Parties and the other chosen by the other 2

(two) arbitrators so nominated by the Parties. The Parties agree that until the arbitration proceedings are complete, they shall not take their disputes to a court of law. The arbitration shall in all be conducted in accordance with the provisions of the Indian Arbitration and Conciliation Act, 1996.

12.11.4 The arbitrators shall be persons of professional repute who are not directly or indirectly connected with any of the Parties to this Agreement. They shall have prior experience as arbitrators.

12.11.5 The place of arbitration shall be Mumbai. The language to be used in the arbitration proceedings shall be English.

### **13. Amendments**

13.1 Neither this Agreement nor any term hereof may be changed, waived, discharged or terminated except with the concurring vote of the Super-Majority of the Unitholders and, any amendment, change or waiver of any provisions of this Agreement on which the concurring vote of the Super-Majority of the Unitholders and the consent of the Investment Manager has been obtained, shall be effective from the date of such approval, as if such amendment, change or waiver has been an integral part of this Agreement. It is clarified that no amendment of this Agreement shall be effective without the written consent of the Investment Manager and the Trustee.

13.2 It is clarified that the Investment Manager may without obtaining the consent of the Super-Majority of the Contributors as provided for in above if any such amendment is required to be brought about in order to:

13.2.1 issue of a new Class of Units;

13.2.2 comply with any change in the Applicable Law or any order issued by any regulator, in the event of which a due intimation shall be sent to Unitholders and the Investment Manager as to the nature and implication of such amendment within 7 (Seven) days of such amendment;

13.2.3 correct any typographical or clerical errors;

13.2.4 any amendment which may be of a clarificatory nature which do not have an effect of altering any provisions or propositions contained in the Fund Documents earlier; or

13.2.5 a change that benefits any Unitholder and is not detrimental to any other Unitholder.

13.3 It is hereby clarified that to the extent the Investment Manager determines that any changes are required to be made to the terms of the Fund Documents that are more favourable to the Unitholders than the existing terms of the Fund Documents; the Investment Manager shall carry out such changes in consultation with the Trustee and shall inform the Unitholders of any such changes in accordance with the provisions of the AIF Regulations.

- 13.4 Within a reasonable period after any change or amendment or waiver in accordance with the preceding clause, the Trustee or the Investment Manager shall send a written notice to each Contributor describing such change or amendment or waiver in reasonable detail.

#### **14. Matters requiring the consent of Contributors**

Any matter requiring the consent of the Contributors under the Fund Documents shall be determined by the Investment Manager by way of circulation or physical meeting of the holders of the Unit. A proposal circulated by the Investment Manager to the Contributor would be deemed to be consented by the Contributor in an event the e-mail/facsimile response of dissent of the Contributor is not received by the Investment Manager within 30 (thirty) days of circulating the proposal.

#### **15. Counterparts**

This Agreement may be executed in counterparts, each of which, when so executed and delivered, shall be deemed an original instrument, but all of which together shall constitute a single agreement.

#### **16. Survival**

Termination of this Agreement shall not affect those provisions hereof that by their nature are intended to survive such termination, including but not limited to the representations and warranties made under **Clause 4 (Representations and Warranties)**, **Clause 9 (Indemnity)**, **Clause 10 (Limitation on Liability)** of this Agreement.

#### **17. Severability**

If any provision or part thereof of this Agreement is 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 the Agreement.

#### **18. No third party rights**

No provision of this Agreement is intended to, or shall, confer any 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.

#### **19. Assignment**

The Contributor shall not assign this Agreement without the prior written consent of the Investment Manager and in accordance with the terms of this Agreement. Notwithstanding anything else contained in this Agreement or the Fund Documents, the Investment Manager may, in their sole discretion, assign this Agreement or Transfer any rights hereunder to a third party which may include an Affiliate or group company

of the Investment Manager. Upon such assignment or transfer, the assignee / transferee company shall have the same rights against the Contributor executing this Agreement as provided to the Investment Manager under this Agreement.

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In WITNESS WHEREOF the Parties hereto, acting through their authorized signatories, have executed this agreement as of the day and year first above written.

SIGNED AND DELIVERED by the within named Trustee, **IDBI TRUSTEESHIP SERVICES LIMITED** by the hand of its authorized signatory  
Mr. \_\_\_\_\_

SIGNED AND DELIVERED by the within named Investment Manager, **B-FLY ASSET MANAGER LLP** by the hand of its authorized signatory  
Mr. \_\_\_\_\_

SIGNED AND DELIVERED by the within named Contributor, by the hand of its authorized signatory  
Mr. \_\_\_\_\_

In the presence of:  
Witness:

- 1.
- 2.

**FIRST SCHEDULE**

**DETAILS OF THE CONTRIBUTOR**

<b>Particulars</b>	<b>Details</b>
Name of the Contributor	
Registered Address (not applicable to natural persons)	
Permanent Address	

**Class of Units**

Class of Units subscribed	Class _____ Units
Capital Contribution towards Units	INR _____ (Rupees _____ Only) towards subscription of Class "_____" Units, being the Capital Contribution of the Contributor named above

**LIST OF JOINT CONTRIBUTORS**

<b>Name of the First Joint Holder</b>	
1. Registered office/Registered address/Permanent Address	

## SECOND SCHEDULE

### JOINT CONTRIBUTORS

1. This **paragraph** on Joint Contributors shall only be applicable if the Units under this Agreement are held by a Contributor jointly with any other Person (“**Joint Contributor**” or “**Joint Holder**”). The Contributor and the Joint Holder shall be treated as a single Contributor for the purpose of this Agreement, provided however not more than two persons shall act as Joint Holder (including where such persons are Relatives). Further, only the Contributor first named in register of Unitholders shall be entitled to all the rights under this Agreement, however all Contributors shall be jointly and severally obliged to fulfil all the obligations under this Agreement. The Joint Holder shall be entitled to the rights under this Agreement in relation to the Units only after demise of the Contributor first named in register of Unitholders. The Joint Holders shall comply with the KYC norms stipulated by the Investment Manager and SEBI, and executed all the necessary documents as requested by the Investment Manager.

For the purpose of **paragraph 1** of this **Second Schedule**, Relatives shall mean any of the following relationship:

- a) spouse of a Contributor;
  - b) parent of a Contributor; or
  - c) children of a Contributor.
2. Capital Contribution: All Capital Contributions required to be made in accordance with the terms of this Agreement shall be made from the bank account of the Contributor first named in register of Unitholders in relation to Contributor, provided that where the Joint Holders are Relatives, the Capital Contribution of such Joint Holders may be paid from the bank account of any of the Joint Holders. It is hereby clarified that, in cases where the Joint Contributors are not Relatives, then each of the two Joint Contributor(s) shall be required to make their respective Capital Contributions from each of their respective bank accounts.
  3. The minimum Capital Contribution for each of the Joint Holders shall be as prescribed by the AIF Regulations.
  4. Nomination:
    - a) The Contributor may nominate one or more nominees who shall be taken on record for the purpose of his Units and distributions thereon in the event of death of the Contributor. In case the Contributor has nominated more than one nominee, the distribution shall be made as per the terms of this Agreement, equally between the nominees so nominated by the Contributor, unless specified otherwise by the Contributor.
    - b) The nomination shall be made in the nomination form provided to the Contributor as a part of the account opening booklet, at the time of execution of this Agreement or any time thereafter and in accordance with the instructions set out in the nomination form. The Contributor may rescind a nomination and make a fresh nomination by filing a fresh nomination form with the Investment Manager.

- c) For the purpose of taking the nominee on record, the Investment Manager and/or such other Person designated by the Investment Manager in this regard, including but not limited to, certain service providers shall be entitled to call for such documents and proofs as it may deem appropriate and the nominee shall be bound to provide the same.
  - d) In case of Joint Contributors, the Joint Contributors shall collectively nominate one or more nominees. In the event of death of either or both of the Joint Contributors, the Units shall be dealt with in the manner set out in **paragraph 8** below.
5. Service of notice: Save as otherwise provided under this Agreement, all the notices, communications and other documents required to be served by the Trust, under the provisions of this Agreement or otherwise, shall be served on the Contributor first named herein.
  6. Exit Notice: Save as otherwise provided under this Agreement, any exit notice shall be made to the Contributor named first herein. Exit Notice by such Contributor shall be valid against the Fund, the Trustee and the Investment Manager and shall absolve the Fund, Trustee and the Investment Manager of all liability to the Joint Contributor or any other Persons interested for any reason.
  7. Attendance and voting: Save as otherwise provided under this Agreement, at the meeting of the Contributors, only the Contributor named first herein, or his duly authorised representative / present shall be entitled to exercise the voting powers as the Contributor and shall be counted for the purposes of quorum. The Investment Manager may permit the persons other than the first named Contributor to participate in a meeting; provided, however, that such person shall not be entitled to vote.
  8. Event of death: In the event of death of any one of the Joint Contributors, the Fund shall record the name of the surviving Contributor as the Unitholder. In the event of the death of both the Joint Contributors, the nominee so named by the Joint Contributors shall be taken on record as the Unitholder. In case the Joint Contributors have jointly nominated more than one nominee as per **paragraph 4** above, the distribution shall be made as per the terms of this Agreement, equally between the nominees so nominated jointly by the Joint Contributors, unless specified otherwise by the Joint Contributors.

## THIRD SCHEDULE

### DEFINITIONS

A. The following terms shall have the meanings as hereinafter set forth:

<b>Term</b>	<b>Meaning</b>
<b>“Affiliate”</b>	as to any Person, means any other Person which, directly or indirectly, through one or more intermediaries, Controls, is Controlled by, or is under common Control with, such Person. “Controlled“ by or “Control“ means, as applied to any Person (a) the holding of more than 50% (Fifty per cent) in the paid-up equity share capital or voting securities, as the case may be, directly or indirectly, of that Person and (b) the power or right to, directly or indirectly, through contract or otherwise, (i) direct or cause the direction of the management of that Person, (ii) direct or cause the direction of the policy decisions exercisable by that Person, or (iii) nominate for appointment the majority of the directors on the board of directors (or such similar governing body) of that Person, 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.
<b>“AIF” or “Category III AIF”</b>	means Category III AIF as defined under the AIF Regulations.
<b>“AIF Regulations”</b>	means SEBI (Alternative Investment Funds) Regulations, 2012, as amended, modified, restated, and/or enacted from time to time. The term ‘AIF Regulations’ shall also deem to include all guidelines, directions, regulations, rules and notifications issued by any government or any statutory or regulatory authority or SEBI for the operation and management of AIFs, or any legislation in regard thereto, if applicable to the Trust.
<b>“Applicable Law”</b>	shall mean any applicable Indian statute, law, ordinance, regulation, rule, order, bye-law, administrative interpretation, writ, injunction, directive, judgment or decree or other instrument which has a force of law in India, as is in force from time to time. For the avoidance of doubt, the term ‘Applicable Law’ shall include the AIF Regulations.
<b>“Associate”</b>	means a company or a limited liability partnership or a body corporate in which a director or trustee or partner or Sponsor or Manager of the AIF or a director or partner of the Manager or Sponsor holds, either individually or collectively, more than 15% (Fifteen percent) of its paid-up equity share capital or partnership interest, as the case may be.
<b>“Auditors”</b>	means any independent reputed firm of chartered accountants that the Trustee, in consultation with the Investment Manager, as the auditor for the Fund.
<b>“Beneficial Interest”</b>	vis-a-vis the Fund means the proportionate interest held by each of the Beneficiaries in the Scheme calculated on the basis of the formula provided in the Indenture, on the basis of which the distribution proceeds available to the Fund which the Beneficiaries shall be entitled for distributions is

<b>Term</b>	<b>Meaning</b>
	determined, in accordance with the distribution mechanism as laid down hereunder in the Memorandum.
<b>“Business Day”</b>	means any day (except Saturday and Sunday and such other days as the Investment Manager may determine) on which banks and exchanges are open for business in Mumbai, India.
<b>“Capital Contribution”</b>	means the amount contributed by a Contributor to the Fund, in accordance with the Contribution Agreement.
<b>“Cash and Cash Equivalents”</b>	means bank deposits, short-term certificates of deposits, commercial paper, treasury bills, reverse repurchase agreements, investments in liquid plans of mutual funds, including in money market funds and similar collective investment schemes managed by Associates of the Investment Manager (as permitted under the AIF Regulations), and other instruments permitted under the Regulation that can be realised in cash at short notice and where chances of default are minimal.
<b>“Cause”; “Cause Act”</b>	shall have the meaning as ascribed to it in ‘Error! Reference source not found.– <b>Removal of the Investment Manager’ as per PPM</b>
<b>“CBLO”</b>	means Collateralized Borrowing and Lending Obligation.
<b>“Circular”</b>	is as defined in <b>“Error! Reference source not found.” as per PPM.</b>
<b>“Class”</b>	means Class A Units, Class B Units, Class C Units, Class D Units, or such other class of Units that may be issued by the Investment Manager under this Memorandum.
<b>“Class A Contributors”</b>	means the holders of Class A Units.
<b>“Class A Units”</b>	means Class A Units of the Fund being offered through this Memorandum to be subscribed by Qualified Contributors making Capital Contribution equal to or more than INR 1 crore (Indian Rupees One crore) without the intermediation of a placement agent or other distributors, in accordance with the AIF Regulations, with their distribution being subject to the Preferred Rate of Return.
<b>“Class B Contributors”</b>	means the holders of Class B Units
<b>“Class B Units”</b>	means Class B Units of the Fund being offered through this Memorandum to be subscribed by Qualified Contributors making Capital Contribution equal to or more than INR 1 crore (Indian Rupees One crore) pursuant to the services of placement agents, arrangers, or other distributors, in accordance with the AIF Regulations, with their distribution being subject to the Preferred Rate of Return.
<b>“Class C Contributors”</b>	means the holders of Class C Units
<b>“Class C Units”</b>	means Class C Units being offered through this Memorandum to be subscribed by the Sponsor, by making Capital Contribution of equal to or more of 5% (Five percent) of the Fund’s corpus or INR 10 crores (Indian Rupees Ten crores), being a Qualified Contributor as per the terms of this Memorandum.
<b>“Class D Contributors”</b>	means the holders of Class D Units.

<b>Term</b>	<b>Meaning</b>
<b>“Class D Units”</b>	means INR 25 lakhs (Indian Rupees Twenty five lakhs) for their respective directors, officers and employees and/or such other person designated by the Investment Manager.
<b>“Consolidated FDI Policy”</b>	is as defined in “ <b>Error! Reference source not found.</b> ” as per PPM.
<b>“Contributors” or “Beneficiaries”</b>	means persons who have made Capital Contribution to the Fund in accordance with the Contribution Agreement and the Memorandum and hold Units.
<b>“Conflicted Transaction”</b>	is as defined in “ <b>Error! Reference source not found.</b> ” as per PPM.
<b>“Contribution Agreement”</b>	means such agreement(s) entered into between each Contributor to the Fund, the Investment Manager, and the Trustee to primarily to regulate the acceptance, disbursement and management of Capital Contributions and the income thereon and other conditions relating to the operation of the Fund.
<b>“Contribution Fund”</b>	means the aggregate Capital Contributions of holders of Class A Units, Class B Units, Class C Units and Class D Units (or such other Class of Units that may be issued by the Investment Manager), including any additions or reductions thereto and undistributed income accumulated in respect thereof, but does not include Initial Settlement and any accretions to the Initial Settlement thereto.
<b>“Custodian”</b>	ICICI Bank Limited
<b>“Deed”</b>	means the indenture of trust dated 20 <sup>th</sup> March, 2024 as originally executed between the Settlor and the Trustee by which the Trust has been established and the Trustee has been appointed and includes any supplements or amendments thereto.
<b>“Exit Load”</b>	is as defined in “ <b>Error! Reference source not found.</b> ” as per PPM.
<b>“FEMA”</b>	means the Foreign Exchange Management Act, 1999.
<b>“Financial Year”</b>	means a financial year beginning on April 1 and ending on March 31 of the year following immediately thereafter.
<b>“Fund”</b>	means B-FLY India Opportunities Fund, the first Scheme of the Trust.
<b>“Fund Documents”</b>	means this Memorandum, the Deed, the respective Contribution Agreements, the Investment Management Agreement and such other documents as the Investment Manager may designate as such.
<b>“Fund Investments”</b>	means Portfolio Investments and Temporary Investments.
<b>“Government of India” or “Government”</b>	means the Government of India or any Indian central, state or local government authority, agency, branch or body or any instrumentality thereof.
<b>““High-Water Mark”</b>	is as defined in “ <b>Error! Reference source not found.</b> ” as per PPM.
<b>“Hurdle Rate”</b>	means an internal rate of return which is pre-tax INR rate of 10% (Ten per cent) per annum for Class A Units, Class B Units, Class C Units, Class D Units annually compounded and computed in INR terms, after the payment of the relevant Management Fee and the Administrative Expenses, as may be applicable.
<b>“ICDR Regulations”</b>	means the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018

<b>Term</b>	<b>Meaning</b>
<b>“Indian Rupees” or “INR” or “Rs”</b>	means the currency of Republic of India.
<b>“Initial Settlement”</b>	means a sum of INR 10,000/- (Rupees Ten Thousand) contributed by the Settlor towards the corpus of the Trust.
<b>“Insider Trading Regulations”</b>	means the SEBI (Prevention of Insider Trading) Regulations, 2015.
<b>“Interested Parties”</b>	is as defined in “Error! Reference source not found.”.
<b>“Investment Manager”</b>	means <b>B-FLY Asset Manager LLP</b> , a firm established under the provisions of the Limited Liability Partnership Act,2008 and having its registered office at 6-3-652, IV Floor, Kautilya Amrutha Estates, Somajiguda, Hyderabad-500082.
<b>“Investment Management Agreement”</b>	means the agreement entered into by and between the Trustee and the Investment Manager for appointment of Investment Manager to advise, administer and manage on matters relating to the investment, divestment, management and administration of the Fund, as amended, modified or supplemented from time to time.
<b>“Investment Proceeds”</b>	means the proceeds by way of interest, cash dividends, premium, principal repayments, capital repayments, redemptions, capital gains or other forms of cash receivable as may be permitted by law from the Portfolio Investments, and cash proceeds realized from the disposition of the Portfolio Investments that are received by the Fund.
<b>“Investment Team”</b>	is as defined in “Error! Reference source not found.” as per PPM
<b>“ITA”</b>	means the Income Tax Act 1961, as amended from time to time.
<b>“Launch Date”</b>	means such date on which Fund commences its investment activities upon achieving aggregate Capital Contributions of INR 20 crores (Indian Rupees Twenty crores), as per the AIF Regulations.
<b>“Management Fee”</b>	means the management fee payable by Fund to the Investment Manager as per the terms as set out in the Investment Management Agreement, this Memorandum and the relevant Contribution Agreement.
<b>“Memorandum”</b>	means this document and all supplements thereto.
<b>“NAV”</b>	means the net asset value of the Fund or Class A Units, , Class B Units, Class Class C Units and Class D Units (or such other Class of Units that may be issued by the Investment Manager), as the context may require, calculated as described under the caption “ <b>Error! Reference source not found.</b> ” as per PPM.
<b>“Offering Price”</b>	is as defined in “ <b>Error! Reference source not found.</b> ” as per PPM.
<b>“Open Offer”</b>	is as defined in “ <b>Error! Reference source not found.</b> ” as per PPM



<b>Term</b>	<b>Meaning</b>
<b>“Administrative Expenses”</b>	is as defined in “Error! Reference source not found.” as per PPM
<b>“p.a.”</b>	means per annum.
<b>“Performance Fees”</b>	is as defined in “ <b>Error! Reference source not found.</b> ” as per PPM
<b>“Person”</b>	includes an individual, corporation, a partnership, a body corporate, a limited liability company, a body of individuals, association, a Hindu Undivided Family, trust, an institutional investor or other entity or organisation whether incorporated or not, including a government body (Central or State) or an agency or instrumentality thereof.
<b>“PMLA”</b>	means the Prevention of Money Laundering Act 2002, as amended from time to time.
<b>“Portfolio Entity(ies)”</b>	means the entities in which the Portfolio Investments are made.
<b>“Portfolio Investments”</b>	means such investments in which the monies of the Fund are invested.
<b>“Preferential Allotments”</b>	is as defined in “ <b>Error! Reference source not found.</b> ” as per PPM
<b>“Prevailing NAV”</b>	means in respect of a Unit on any Subscription Date or Redemption Date (as may be relevant), the NAV of the Unit calculated on the Valuation Point (or on such other amounts based on accounting principles determined by the Investment Manager) immediately preceding such Subscription Date or Redemption Date (as may be relevant), or at such other price as the Investment Manager may deem appropriate.
<b>“Protected Person”</b>	is as defined in “ <b>Error! Reference source not found.</b> ” as per PPM
<b>“QIP”</b>	means Qualified Institutional Placement
<b>“RBI”</b>	means the Reserve Bank of India.
<b>“Qualified Contributors”</b>	means any Person (in case of an individual being over the age of 18 (Eighteen) years or a legal guardian of a minor) but does not include (i) any Person, who cannot acquire or hold Units without being in breach of any law or requirement of India or such other jurisdiction as applicable to such Person, (ii) any person whose holding of Units, in the opinion of the Investment Manager, might result in the Fund incurring any liability in respect of taxation or suffering any other pecuniary disadvantage, which the Fund might not otherwise have incurred or suffered or (iii) any custodian, nominee or trustee for any Person described in clauses (i) and (ii) above. Notwithstanding the above, the Investment Manager reserves absolute discretion in admitting any Qualified Contributor as a Contributor in the Fund.
<b>“Quarter”</b>	means a period of three months or a calendar quarter, beginning on such date as may be decided by the Investment Manager.
<b>“Redemption Date”</b>	means in respect of a Unit, the relevant date on which the redemption request for such Unit is processed, which shall be the the last Business Day of a quarter or such other day as the Investment Manager may decide in its sole discretion.
<b>“Redemption Notice”</b>	means a written notice given by the any Contributor to the Investment Manager, in advance for the purpose of redeeming its Units and within such time that is prescribed in this regard in “ <b>Error! Reference source not found.</b> ” as per PPM

<b>Term</b>	<b>Meaning</b>
<b>“Reference Price”</b>	means, with respect to any Unit, the NAV of such Unit (after reduction of Performance Fees) at the beginning of the first Business Day immediately following the date as of which the last Performance Fees with respect to such Unit was determined (net of the Management Fee) or if no Performance Fees has yet been determined with respect to such Unit, the NAV at which such Unit was subscribed.
<b>“Scheme”</b>	means the various schemes of the Trust floated by the Trustee, with the prior written consent of the Investment Manager, under the powers granted to the Trustee under the Deed and includes the Fund. The Fund shall be the first Scheme floated by the Trust.
<b>“SEBI”</b>	means the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992.
<b>“Securities”</b>	means such securities in which the monies of the Fund are invested, in accordance with the Applicable Law.
<b>“Settlor”</b>	means Mr. Dhiren Shethia
<b>“Side Letter”</b>	is as defined in <b>“Error! Reference source not found.”</b> as per PPM.
<b>“Side Pocket”</b>	is as defined in <b>“Error! Reference source not found.”</b> as per PPM.
<b>“Sponsor”</b>	means BN Rathi Securities Limited, a company established under the provisions of the Companies Act, 1956 and having its registered office at 6-3-652, IV Floor, Kautilya Amrutha Estates, Somajiguda, Hyderabad-500082
<b>“Subscription Date”</b>	is as defined in <b>“Error! Reference source not found.”</b> as per PPM.
<b>“Subscription Request”</b>	is as defined in <b>“Error! Reference source not found.”</b> as per PPM.
<b>“Super-Majority of the Contributors”</b>	in respect of the Fund means such number of Contributors who hold Units of value equivalent to at least 75% (Seventy five percent) of the aggregate NAV of the Fund, determined by the Investment Manager by way of circulation or physical meeting of the Contributors. A proposal circulated by the Investment Manager to the Contributor would be deemed to be consented by the Contributor in an event the response of dissent of the Contributor is not received by the Investment Manager within 15 (Fifteen) Business Days of circulating the proposal.
<b>“Suspension Period”</b>	is as defined in <b>“Error! Reference source not found.”</b> as per PPM.
<b>“Takeover Code”</b>	means the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 2011, as amended.
<b>“Temporary Investments”</b>	means an investment in liquid mutual funds or bank deposits or other liquid assets of higher quality such as treasury bills, triparty repo dealing and settlement, commercial papers, certificates of deposits, etc. as per the terms of the fund documents, as applicable as permitted under the AIF Regulations.
<b>“Term”</b>	is as defined in <b>“Error! Reference source not found.”</b> as per PPM.
<b>“Transfer Agent”</b>	means such person as may be appointed by the Investment Manager to act as a transfer agent to the Fund.
<b>“Trust”</b>	means B-FLY India Alternative Investment Trust, a private trust constituted under Indian Trusts Act 1882 and registered as a Category III AIF under the AIF Regulations.

<b>Term</b>	<b>Meaning</b>
<b>“Trustee”</b>	means IDBI Trusteeship Services Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Universal Insurance Building, Ground floor, Sir P M Road, Fort, Mumbai- 400 001
<b>“Units”</b>	means a unit evidencing beneficial interest in a Class of the Fund and issued by the Investment Manager to a Contributor on the making of a Capital Contribution and shall include a fraction of a unit evidencing beneficial interest in the Contribution Fund, at such value pursuant to the Memorandum.
<b>“Valuation Day”</b>	means, with respect to the (a) Subscription Date, such day that is immediately preceding the relevant Subscription Date and (b) Redemption Date, the last day of every month; or such other days as the Investment Manager may decide in its sole discretion, on which the value of Class A Units, Class B Units, Class C Units and Class D Units or such other Classes of Units of the Fund shall be calculated for the purposes of determining NAV.
<b>“Valuation Point”</b>	means the point of close of business of the relevant Valuation Day.

## FOURTH SCHEDULE

### TRANSFER / ASSIGNMENT OF UNITHOLDER CONTRIBUTION

1. A Unitholder (for the purposes of this schedule referred to as an “**Original Unitholder**”) shall be entitled, at its own cost, to transfer the Units held by him in accordance with the terms and procedure set out hereunder and in accordance with the provisions in the Fund Documents. Any transfer or assignment may be completed only with the written consent of the Investment Manager confirming that the prospective transferee satisfies the eligibility criteria for becoming a beneficiary. The eligibility of a prospective transferee shall be adjudged on the following factors:
  - a. Qualified Contributor;
  - b. Tax residency of India and Form 10F of the Income Tax Rules, 1962; if applicable;
  - c. Credit worthiness and good standing;
  - d. Compliance with the KYC requirements of the Fund;
  - e. Not to be on the defaulters list of any of the regulators; and
  - f. Any other criteria that may be applicable under the AIF Regulations or the applicable laws, from time to time.
2. The Original Unitholder has given prior notice to the Investment Manager of its intention to transfer its Units at least 30 (Thirty) days prior to the purported date of transfer to seek the consent required as per **paragraph 1** above.
3. One or more new beneficiaries, including any existing Unitholder (such investor is hereinafter referred to as the “**New Unitholder**”), has been identified by the Original Unitholder, and for this purpose has agreed to execute such documents as may be required by the Investment Manager.
4. Upon receipt of the written consent of the Investment Manager to the Original Unitholder for the intended transfer, the Original Unitholder shall transfer his Units to the New Unitholder. The Units shall stand transferred on the date of receipt of the written consent of the Investment Manager.
5. The Original Unitholder shall continue to be liable to the Fund in respect of any payments (including in respect of indemnities) to be made as per the terms of the Indenture and the Contribution Agreement for the period until the date of such transfer.
6. Upon transfer of the Units to the New Unitholder and execution such documents as may be required by the Investment Manager, including a Deed of Adherence (in form set out in **Exhibit A**), by the New Unitholder, the New Unitholder shall automatically become the holder of the Units on the terms and conditions contained in the Indenture and the Statement of Account issued thereunder.

7. The Original Unitholder shall hand over the Statement of Account to the New Unitholder and the Original Unitholder shall cease to have any rights it may hitherto have had over the Contribution Fund and the distributions therefrom.

## Exhibit A

### DEED OF ADHERENCE

#### FORM OF DEED OF ADHERENCE

**DEED OF ADHERENCE** made on the [ ] day of, [ ]

**BY:**

[Name of new unitholder (the "New Unitholders")].

**RECITALS:**

- (A) On \_\_\_\_\_ day of \_\_\_\_\_ **IDBI Trusteeship Services Limited** ("Trustee"), **B-FLY Asset Manager LLP** ("Manager") and \_\_\_\_\_ (Name of Unitholder) ("**Original Unitholder**") entered into a Contribution Agreement (the "**Contribution Agreement**").
- (B) The Private Placement Memorandum, the Indenture, the Investment Management Agreement along with the Contribution Agreement, collectively known as the "**Fund Documents**" forms a part of this Deed and are attached hereto.
- (C) In terms of the provisions of the Contribution Agreement, the Original Unitholder has transferred, assigned or revoked his Units in the Fund to the New Unitholder and such transfer / assignment / revocation was taken on record by the Trustee on \_\_\_\_\_ [date].

**NOW THIS DEED WITNESSES** as follows:

Interpretation

1. In this Deed, except as the context may otherwise require, all words and expressions defined in the Fund Documents shall have the same meanings when used herein.

Undertaking

2. The New Unitholder hereby undertakes to all persons who are at present or who may hereafter become bound by the Fund Documents, to adhere to and be bound by all the duties, burdens and obligations, if any, as may be specified in any of the Fund Documents and all documents expressed in writing to be supplemental or ancillary thereto as if the New Unitholder had been an original party to the Fund Documents since the date thereof.

Enforceability

3. Each existing Unitholder, Trustee and the Investment Manager shall be entitled to enforce the obligations and duties under the Fund Documents against the New Unitholder as if the New Unitholder had been an original party to the Fund Documents since the date thereof.

Governing Law

4. This Deed of Adherence shall be governed by and construed in accordance with the laws of Republic of India and the courts of Mumbai shall be the forum for the administration hereof.

**IN WITNESS WHEREOF**, this Deed of Adherence has been executed as a deed on the date first above written.

Signed and delivered by the within  
named New Unitholder by the hand  
of

Mr. \_\_\_\_\_  
(Authorised Signatory / Director)

\_\_\_\_\_

In the presence of

\_\_\_\_\_  
(name, address of witness)

Signed and delivered by the within  
named Original Unitholder by the hand  
of

Mr. \_\_\_\_\_  
(Authorised Signatory / Director)

\_\_\_\_\_

In the presence of

\_\_\_\_\_  
(name, address of witness)

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Signed and delivered by the within  
named Trustee by the hand of

Mr. \_\_\_\_\_  
(Authorised Signatory / Director)

\_\_\_\_\_

In the presence of

\_\_\_\_\_  
(name, address of witness)

Signed and delivered by the within  
named Investment Manager by the hand  
of

Mr. \_\_\_\_\_  
(Authorised Signatory / Director)

\_\_\_\_\_

In the presence of

\_\_\_\_\_  
(name, address of witness)

## Exhibit B

Date\_\_\_\_\_

To

[•]

Subject: Declaration for Tax resident of India

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This is to inform that, [I \_\_\_\_\_ son of \_\_\_\_\_/ I \_\_\_\_\_ [as \_\_\_\_\_(karta/director/) of \_\_\_\_\_] hereby declare that, I / \_\_\_\_\_[HUF/Company] is holding Permanent Account Number \_\_\_\_\_is filing my/its income tax returns in India as resident of India under the Income Tax Act, 1961 ('the Act') and shall continue to be resident of India for current financial year under the provisions of the Act. In case of happening of any event in any financial year, subsequent to the date of captioned declaration, I/ It become non-resident or likely to be become non-resident as per the provisions of the Act, I/it undertake to inform the same to the Investment Manager on an immediate basis.

I/We have enclosed herewith the following documents

- I) Pan Card
- II) Permanent Address Proof
- III) Certificate of Incorporation

Thanking You,

Sincerely

\_\_\_\_\_  
Signature of Contributor

Name of the Contributor\*: \_\_\_\_\_

*\*In case of a contributor is other than an individual, please provide full name of Contributor and name of authorized signatory*