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LC Capital India private Ltd .

PMS Investor Charter

Investor Charter in Respect of Portfolio Management Services

- **<u>Vision and Mission Statements for investors.</u>**

Vision:

Creating value through innovative investments solutions.

Mission:

To be the market leaders through people excellence investment acumen and digital agility

- **<u>Details of business transacted by the organization with respect to the investors</u>**.

a. Conducting thorough risk profiling to understand investors' risk tolerance
b. Providing investors with a comprehensive disclosure document
c. Formalizing the Portfolio Management Services (PMS) agreement
d. Managing investments on behalf of investors in a discretionary capacity, allowing investors to make their own investment decisions in a non-discretionary capacity, or offering investment advice in an advisory capacity, depending on the agreed terms.

- **<u>Details of services provided to investors and estimated timelines</u>: -**

I. Discretionary and Non-Discretionary Portfolio Management Services (PMS):

In these services, investors entrust their portfolios, which can consist of stocks, cash, or a combinationof both, to a PMS provider. As per the current SEBI regulations, the minimum portfolio size for Discretionary and Non-Discretionary Funds Management Services is Rs. 50 lakhs. However, the PMS provider can set a higher minimum, either for specific products or other considerations, at its sole discretion.

The PMS provider aims to deliver optimal returns by understanding the investor's investment objectivesand risk profile. In Discretionary Portfolio Management, the PMS provider makes investment decisions based on these objectives without requiring approval from the investor. In Non-Discretionary Portfolio Management, the investor retains control over the investment decisions, making choices based on the guidance and insights from the PMS provider.

- **Investment Advisory Services:**

Under these services, clients receive advice on buying or selling securities in line with their investment profile. However, the Portfolio Management Service (PMS) provider does not take responsibility for trade execution, custody of securities, or accounting functions. The PMS provider acts solely as an advisor and is not involved in the investment or divestment of securities, or any administrative tasks related to the client's portfolio. The PMS provider operates in a fiduciary capacity, ensuring an arm's length relationship with other activities. The advisory services follow the guidelines and directives set by regulatory authorities and the client.

- **Client Onboarding:**

a. Ensure compliance with Know Your Customer (KYC) and Anti-Money Laundering (AML) guidelines.

b. Execute and sign the Power of Attorney, allowing the PMS provider to make investment decisions on behalf of the investor.
c. Open a demat account and fund it from the investor's verified bank account or by transferring securities from the investor's verified demat account.
d. Link the demat account to the custodian.

- **Ongoing Activities:**

a. Provide investors with periodic statements as outlined in the PMS Regulations 2020 and other related SEBI circulars.
b. Provide an annual audited account statement to each client, containing all the required details as per the PMS Regulations.

- **Fees and Expenses:**

Disclose and charge appropriate fees and expenses in compliance with the PMS Regulations.

- **Closure and Termination:**

If the PMS Agreement is terminated by either party, all securities and funds in the investor's account willbe transferred to the investor's verified bank account or demat account.

- **Grievance Redressal:**

Address investor queries, service requests, and grievances in a timely manner on an ongoing basis.

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Timelines of the services provided to investors are as follows:

Sr. No.	Service / Activity	Timeline
1	Opening of PMS account (including demat account) for residents.	The processing time is up to 7 days from the receiptof all required documents from the client. Thistimeline is subject to a thorough review of thedocuments for accuracy and completeness by the portfolio manager and any related third-party service providers, as needed.
2	Opening of PMS account (including demat account) for non- individual clients.	It takes up to 14 days to process, starting from when all necessary documents are received from the client. This timeframe is contingent upon a detailed review of the documents to ensure accuracy and completeness by the portfolio manager and any associated third-party service providers, as required.
3	Opening of PMS account (including demat account, bank account and trading account) for non-resident clients.	The process can take up to 14 days from the receipt of all required documents from the client. This period allows the portfolio manager and any relevant third-party service providers to review the documents for accuracy and completeness, as applicable.
4	Registration of nominee in PMS account and Demat account.	Registration of nominee should happen along with account opening, therefore turnaround time should be same as account opening turnaround time.
5	Modification of nominee in PMS account and Demat account	10 days from receipt of requisite nominee modification form, subject to review of the documents for accuracy and completeness by portfolio manager and allied third party service providers as may be applicable.

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6	Uploading of PMS account in KRA and CKYC database.	10 days from date of account opening (Portfolio Manager may rely on the custodianfor updating the same).
7	Whether portfolio manager is registered with SEBI, then SEBI registration number.	At the time of client signing the agreement; this information should be a part of the account opening form and disclosure document.
8	Disclosure about latest net worth of portfolio manager and total AUM.	Disclosure of portfolio manager's total AUM - monthly to SEBI Disclosure of latest net worth should be done in the disclosure document whenever there are any material changes.
9	Intimation of type of PMS Account (discretionary.)	At the time of client signing the agreement;this information should be a part of the account opening form.
10	Intimation of type of PMS account – (non-discretionary.)	At the time of client signing the agreement;this information should be a part of the account opening form.
11	Intimation to client what discretionary account entails and powers that can be exercised by portfolio manager.	At the time of client signing the agreement; this information should be a part of the account opening form.
12	Intimation to client what non-discretionary account entails and powers that can be Exercised by portfolio	At the time of client signing the agreement; this information should be a part of the account opening form.
13	Copy of executed PMS agreement sent to client.	Within 3 days of client request
14	Frequency of disclosures of available eligible funds.	All details regarding client portfolios should be shared quarterly
15	Issuance of funds and securities balance statements held byclient.	This data should be shared on a quarterly basis or upon client request.
16	Intimation of name and demat account number of custodians for PMS account.	Within 3 days of PMS and demat account opening
17	Conditions of termination of contract.	At the time of client signing the agreement; this information should be a part of the account opening form.

18	Intimation regarding PMS fees and modes of payment or frequency of deduction.	At the time of client signing the agreement; this information should be a part of theaccount opening form.
19	POA taken copy providing to client.	Within 3 days of client request
20	Intimation to client about what all transactions can portfolio manager do using POA.	At the time of client signing the agreement;this information should be a part of the account opening form
21	Frequency of providing audited reports to clients	Annual
22	Explanation of risks involvedin investment.	At the time of client signing the agreement; this information should be a part of theaccount opening form.
23	Intimation of tenure of portfolio investments.	Indicative tenure should be disclosed at the time of client signing the agreement; this information should be a part of the account opening form.
24	Intimation clearly providing restrictions imposed by theinvestor on portfolio manager.	Negative list of securities should be takenfrom the client at the time of client signing the agreement; this information should be a part of the account opening form.
25	Intimation regarding settling of client funds and securities.	Settlement of funds and securities is done by the Custodian. The details of clients' funds and securities should be sent to the clients in the prescribed format not later than on a quarterly basis.
26	Frequency of intimation of transactions undertaken in portfolio account.	Not later than on a quarterly basis or upon clients' request.
27	Intimation regarding conflict of interest in any transaction.	The portfolio manager should provide details of related party transactions and conflict of interest in the Disclosure Document which should be available on website of portfolio manager always.
28	Timeline for providing disclosure document to investor.	The latest disclosure document should be provided to investors prior to account opening and the latest disclosure documents should always be available on website of portfolio manager.

29	Intimation to investor about details of bank accounts whereclients' funds are kept	Within 3 days of PMS and demat account opening
30	Redressal of investor grievances.	Within 30 days, subject to all the information required to redress the complaint is provided by the complainant to the portfolio manager

Grievance Redressal Mechanism and How to Access It

1. **SEBI SCORES Registration**: All Portfolio Management Service (PMS) providers must be registered with SEBI SCORES, the SEBI Complaint Redress System. This centralized online platform allows complainants to file grievances against PMS providers and track the status of their complaints. You can access SEBI SCORES at scores.gov.in.

2. **Investor Relations Contact Information**: The Portfolio Management Service (PMS) Disclosure Document must include the name, address, and telephone number of the investor relations officer responsible for handling investor queries and complaints.

3. **Disclosure of Grievance Mechanism**: The grievance redressal and dispute resolution process must be outlined in the PMS Disclosure Document.

4. **SEBI's Role in Complaint Redressal**: If investors have grievances, they can approach SEBI for redressal. When SEBI receives a complaint, it contacts the relevant PMS provider to address the issue and continues to follow up until resolution is achieved.

5. **Contact Details for Sending Complaints to SEBI**: Investors can send their complaintsto:
    - Office of Investor Assistance and Education,
    - Securities and Exchange Board of India,
    - SEBI Bhavan, Plot No. C4-A, ‘G’ Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400051.

Investor Responsibilities and Expectations

Investors engaging with Portfolio Management Services (PMS) have certain responsibilities to ensure a smooth and compliant experience. Here's what is expected from investors:

1. **Verify PMS Provider Registration**: Before using any PMS, check the intermediary's registration status on the SEBI website to confirm it is authorized to operate.

2. **Submit KYC and Application Documents Promptly**: Provide the required Know Your Customer (KYC) documents and application forms on time, ensuring all signatures are in the correct places and include the necessary supporting documents.

3. **Review Agreement Terms Carefully**: Before signing, thoroughly read and understandthe terms and conditions of the PMS agreement.

4. **Examine Disclosure Documents**: Take the time to study the PMS Disclosure Documents to understand the risks involved in the investment.

5. **Complete Risk Questionnaire Accurately**: Provide truthful and accurate responses to the 'Risk Questionnaire' to help the PMS provider assess your risk profile accurately.

6. **Review Quarterly Statements**: Regularly review the quarterly statements sent by the PMS provider. These statements contain information about the portfolio's absolute and relative performance, its components, and its risk profile.

7. **Maintain Freeze Instructions**: At the time of entering into a PMS agreement and anytime there are changes, provide the PMS provider with a comprehensive list of securities you do not want in your portfolio (negative list), as part of the freeze instructions.

8. **Update KYC and Personal Information**: Inform the PMS provider of any changes to your KYC documents and personal details, and provide the updated KYC documentationwith required proofs.