

# **BHARTI AXA**

## **INVESTMENT MANAGERS**

### **PRIVATE LIMITED**

## **Distributor Agreement**



# DISTRIBUTOR AGREEMENT

This Agreement is made at \_\_\_\_\_  
X \_\_\_\_\_ this  
\_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_

## BETWEEN

Bharti AXA Investment Managers Private Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at 51, 5th Floor, East wing, Kalpataru Synergy, Opp. Grand Hyatt, Vakola, Santacruz (E), Mumbai - 400 055, India (hereinafter referred to as the "AMC", which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and assigns) of the ONE PART.

AND \_\_\_\_\_

X hereinafter referred to as "the Distributor", which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to include his successors and assigns) of the Other Part.

## WHEREAS:

1. The AMC is the asset management company for Bharti AXA Mutual Fund (hereinafter referred to as "the AMC"), a mutual fund registered with the Securities Exchange Board of India.
2. Distributor has represented to the AMC that he acts on behalf of his customers / investors and provides investment related services to such customers / investors, and is thus desirous of being Distributor of AMC so as to make available AMC's mutual fund investment products to his customers / investors.
3. AMC has agreed to appoint Distributor and the parties have agreed to record terms of such appointment, being these presents.

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

## DEFINITIONS

1.1 In this Agreement, unless the context otherwise requires, the following expressions shall have the meaning assigned to them:

- (a) "Applicable Law" means SEBI (Mutual Fund) Regulations, 1996, SEBI Act, 1992 and all other applicable SEBI regulations, and includes all other law, rules and guidelines as applicable to mutual funds, including those of AMFI, and in case of Stock Broker Distributor, will also mean and include stock exchange bye laws, rules and regulations as issued from time to time by the stock exchange of which he is a member.
- (b) "AMFI" means Association of Mutual Funds in India, an industry representative body for mutual funds in India.
- (c) "Applicable NAV" means NAV of Units of a particular Scheme(s) computed in accordance with the provisions of the relevant Offer Document
- (d) "Business Day" means the Business Day as defined in the Offer Document of the relevant Scheme.
- (e) "MF Regulations" means Securities and Exchange Board of India (Mutual Fund) Regulations, 1996 of India.
- (f) "Mutual Fund" means and refers to Bharti AXA Mutual Fund, a Trust established pursuant to a Deed of Trust and engaged in mutual fund activities and governed under the Indian Trusts Act, 1882 and registered with Securities & Exchange Board of India as a mutual Fund under registration no. MF/056/08/01 dated March 31, 2008 under SEBI (Mutual Funds) Regulations, 1996.
- (g) "NAV" means Net Asset Value, being value of a single Unit of a particular Scheme.
- (h) "Offer Document" means the offer document in respect of a Scheme and includes the Scheme Information Document read with Statement of Additional Information

made and issued in accordance with MF Regulations for inviting subscription to Units of that Scheme, and as amended from time to time.

- (i) "Registrar and Transfer Agent" refers to person or entity appointed by the AMC / Trustee Company as registrar and transfer agent in respect of one or more Schemes to manage all aspects of, or related to, investor servicing for such Scheme(s).
- (j) "Regulatory Authority" means SEBI and any other governmental or regulatory bodies by which the Trustee Company and/or the Mutual Fund and/or the AMC (as the case may be) are regulated.
- (k) "Scheme" means mutual fund scheme or products of the Mutual Fund made available by the AMC pursuant to Offer Document to provide facilities to persons to subscribe for Units under such scheme.
- (l) "SEBI" means the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992.
- (m) **Stock Broker Distributor:** means a Distributor who is registered as a trading member with a SEBI registered stock exchange in India and who is a valid ARN holder and has passed the AMFI certification examination and who offers his clients / investors facility to subscribe to / transact in mutual fund units through the Stock Exchange Mutual Fund Transaction Facility. It is clarified that a Distributor who is a stock broker and distributes units as direct business activity other than through the Stock Exchange Mutual Fund Transaction Facility is not a 'Stock Broker Distributor' within the meaning of this Agreement. It is further clarified that in case of Distributors doing business through Stock Exchange Mutual Fund Transaction facility as well as otherwise, the additional obligations in respect of "Stock Broker Distributor" will apply only in relation to business through Stock Exchange Mutual Fund Transaction Facility.
- (n) **Stock Exchange Mutual Fund Transaction Facility:** means facility offered by any SEBI registered stock exchange, enabling transactions in mutual fund units by investors, through electronic order routing platform in accordance with SEBI circular SEBI/IMD/CIR No.11/183204/2009 dated November 13, 2009 as well as circulars, notices, operating guidelines or any other communication issued by Stock Exchanges / SEBI / AMFI or other regulatory authorities from time to time.
- (o) "Trustee Company" refers to Bharti AXA Trustee Services Private Limited, the Trustee of the Mutual Fund.
- (p) "Unit" means the interest of the investors in the Scheme consisting of each Unit representing one undivided share in the assets of that Scheme as evidenced by a Unit Certificate / Account Statement and includes any fraction of a Unit which shall represent the corresponding fraction of one undivided share in the assets of that Scheme, and "Units" shall be construed accordingly.
- (q) "Unit Certificate / Account Statement" means a certificate / account statement issued to the holder of the Unit(s) under the Scheme of the Mutual Fund showing Unit holding of the Unit Holder, provided that in the case of a Unit holder opting for holding Units in dematerialized form, the Account Statement will refer to the statement issued to such Unit Holder by the Unit Holder's Depository Participant.
- (r) "Unit Holder" or "Unitholder" means any registered holder for the time being of Unit (s) of the Scheme(s), including joint holder(s).

- 1.2 Terms not defined herein will, unless otherwise indicated, have the respective meanings ascribed thereto in the Offer Document relating to the relevant Scheme, as applicable.
- 1.3 Reference to the singular includes the plural and vice versa; reference to the masculine gender includes the feminine and neuter gender and vice versa.
- 1.4 Reference to an individual includes, with appropriate grammatical variations reference to non-individual bodies as well.
- 1.5 The provisions of any schedule/annexure attached hereto will apply as if incorporated herein.

#### DISTRIBUTION AGREEMENT

- 2.1 The AMC hereby appoints the Distributor and the Distributor accepts the appointment as Distributor to distribute through Distributor's branches (and in such other manner as may be decided upon by the Distributor from time to time in accordance with Applicable Law and MF Regulations and agreed by the AMC), Schemes of the Mutual Fund.
- 2.2 This Agreement shall come into force on its execution (execution by both or by AMC whichever is later), provided that AMC may choose, in writing, a date other than the execution date in which case this Agreement shall come into force from such other date (such date of coming into force of this Agreement referred to as "Effective Date" in this Agreement).
- 2.3 The appointment, continuance and functioning of the Distributor shall be also governed by and shall be subject to the provisions of the Applicable Laws.
- 2.4 Distributor agrees not to make any statement or do any act, including any alteration, addition, modification or erasure on any marketing literature and documents of or issued by or provided by the AMC or filled up by investor.
- 2.5 Distributor agrees that he will not incur or purport to incur any debt or liability on behalf of AMC or pledge the credit of AMC unless so specifically authorised in writing by the AMC.
- 2.6 AMC may from time to time, on reasonable notice, arrange seminars, meetings and training sessions relating to Schemes or generally and the Distributor agrees to make all reasonable endeavors to attend all such programmes.
- 2.7 The Distributor shall not allow or offer to allow, either directly or indirectly, as an inducement, to a prospect or a Unit Holder, to purchase or redeem or transact Units, any rebate of any amount.
- 2.8 Code of conduct: The Distributor agrees and undertakes to abide by the following:
- 2.8.1 The Distributor shall not obtain / seek / provide / give undue favors or graft from / to any employee of AMC or any other person, customer, investor or Unit Holder of AMC.
- 2.8.2 The Distributor shall not accept / give gift of substantial value (greater than Rs 1,000 or such amount as AMC may prescribe) from / to any employee of AMC or any person, customer, investor or Unit Holder of AMC in connection with any matter or dealing concerning AMC.
- 2.8.3 The Distributor shall follow AMFI's Code of Conduct for Distributors as prescribed and as in force from time to time.
- 2.8.4 In case of Stock Exchange Distributor, he shall follow the Code of Conduct as prescribed under SEBI Stock Brokers Regulations and by the Stock Exchange of which he is a member.
- Breach of any provisions of this Clause will entitle AMC to terminate this Agreement forthwith irrespective of anything to the contrary in this Agreement.
- 2.9 The Distributor shall not and is not authorised to accept any money towards investment in Units, in cash from any customer, investor or Unit Holder. Distributor specifically understands that non-adherence to this condition may lead to violation of AMFI's / SEBI's regulations and anti-money laundering guidelines.
- 2.10 The business procured by the Distributor for AMC and discharge of its obligations under this Agreement shall be in accordance with AMC's corporate objectives and with particular regard to AMC's image and standing in the industry and in the community.
- 2.11 The Distributor shall familiarize himself with the Applicable Law as in force from time to time and which has a bearing on the discharge of his obligations; provided that in the event of any change in the Applicable Law resulting in a dilution or abrogation of his obligations under this Agreement, to the extent not provided otherwise, the Distributor shall continue to be bound by the obligations as were existent prior to such change, unless expressly approved in writing by AMC, or unless inconsistent with Applicable Law.
- 2.12 All forms, Key Information Memorandum (KIM), Offer documents, marketing literature, any software and other documents received by the Distributor from AMC or from or for the customers /investors/Unit Holders shall be held by him in trust for AMC, and shall be promptly handed over to AMC when required or upon termination of this Agreement. Upon termination or cessation of this Agreement, the Distributor shall promptly deliver/return to AMC in good condition all such forms, applications, documents, properties or securities and all sales literature, manuals and computer software received from or for or on behalf of or provided by AMC.
- 2.13 The Distributor shall allow officers of AMC (including its auditors and advisors), authorized in writing by AMC, to inspect and make copies of all / any records maintained by the Distributor in relation to any subject matter under this Agreement.
- 2.14 In relation to any right, privilege, duty or obligation of the Distributor under this Agreement, AMC is entitled to treat distributor differently from other distributors or any class of them.
- 2.15 The Distributor will forward to the AMC and/or the Registrar and Transfer Agent the investor's signed and duly completed application form for units with payment instruments and all other documents that have been received by the distributor for the AMC, provided that in case of Stock Exchange Distributor, the documents shall be forwarded to the AMC / Registrar & Transfer Agent in accordance with the operating procedure prescribed for Stock Exchange Mutual Fund Transaction Facility.
- 2.16 The AMC will provide or periodically send commission and transaction statement through electronic mail / as files downloadable from Website to the Distributor. Commission will be paid by electronic mode of payment and Distributor shall provide bank mandate on empanelment. It shall be the Distributor's responsibility to check all details and transaction records and communicate any discrepancies to the AMC and the Registrar and Transfer Agent within the time specified by the AMC from time to time.
- 2.17 The AMC may make available the Schemes, present or future, for distribution by the Distributor. It shall be deemed that the Distributor has accepted to distribute all the Schemes of the Mutual Fund made available by the AMC unless the Distributor expressly rejects the right to distribute a particular Scheme(s). Provided that in case of Stock Broker Distributor, he can undertake transactions in only those Schemes of the Mutual Fund that are available on the Stock Exchange system of which he is a member.
- 2.18 In case of Stock Broker Distributor offering transactions to their clients through Stock Exchange Mutual Fund Transaction Facility ("the Facility"), they shall also abide by the terms and conditions of SEBI circular No SEBI/IMD/CIR No.11/183204/2009 dated November 13, 2009 as well as circulars, notices, operating guidelines or any other communication issued by Stock Exchanges / SEBI / AMFI or

Initials of Distributor \_\_\_\_\_

other regulatory authorities from time to time.

2.19 The AMC will from time to time prescribe operational guidelines and processes which shall be followed by the Distributor.

### 3. AMC'S DECLARATIONS, REPRESENTATIONS & WARRANTIES

3.1 The AMC hereby declares that it has complied with, or will comply with, applicable statutory provisions and guidelines, as amended from time to time.

3.2 The AMC will make available such number of Offer Documents and/or any abridged offer documents of a particular Scheme as may be reasonably requested by the Distributor, and agreed to by the AMC.

3.3 All transactions in Units, including purchase, sale, redemption and switch of Units shall be effected as per applicable provisions of NAV on the relevant Business Day and in accordance with the then current Offer Document.

3.4 The AMC will maintain at all times confidentiality of the investor data-base procured from the Distributor, provided that AMC shall at all times be entitled to share such data with any of its authorised service providers who are appointed to provide various services to the AMC or Mutual Fund in relation to their day to day operations for the purposes of providing services to the investor and/or fulfilling obligations of the AMC. Notwithstanding above, nothing herein contained shall preclude the AMC from complying with any statutory, regulatory or governmental requirement to provide information concerning the investor to which the AMC may be subject from time to time.

3.5 The AMC shall have the right to accept any subscription to Units of the Mutual Fund if a customer / investor / Unit Holder, though introduced by the Distributor anytime earlier, approaches the AMC/Mutual Fund directly or through another distributor for subscription of Units. Further, the AMC/Mutual Fund shall have the right to send promotion and marketing material or literature for any of its product(s) or literature or material in relation to investor service to Unit Holders without the Distributor's consent or without informing him.

3.6 Payments relating to redemptions by the Unit Holder(s) or any other amounts to Unit Holders shall be payable in favour of the Unit Holder(s) only through banking instruments / channels and shall only be dispatched directly to the Unit Holder.

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

4.1 The Distributor declares, represents and undertakes that:

- (a) (a) (i) the Distributor is authorised by the investor to act as his agent; (ii) the relationship between the AMC and the Distributor is one of principal to principal; (iii) each transaction is initiated solely upon the order of such investor; (iv) each transaction is for the account of such investor and not for the Distributor's own account; (v) each investor will be provided by the Distributor with a copy of the key information memorandum / Offer Document with respect to the relevant Scheme and / or will be allowed to inspect or receive a copy of the Offer Document with respect to the relevant Scheme; (vi) as between the Distributor and the investor, the investor will have full registered ownership of the Units; (vii) the Distributor shall bring the features of the Scheme and risk factors in respect of such Scheme to the attention of the investors.
- (b) The Distributor has all necessary approvals and authorizations for providing the services under this Agreement and shall take necessary steps from time to time to keep such approvals and authorizations current and valid at all times. The Distributor further declares and represents that no disciplinary or other proceedings have been commenced or threatened or

pending with SEBI / Stock Exchange or any other regulatory or statutory or legal authority and that the Distributor is not debarred / suspended from carrying on his activities and discharge obligations and responsibilities under this agreement.

- (c) the Distributor confirms and undertakes to comply with all Applicable Laws. The Distributor shall in particular comply with the provisions of MF Regulations and guidelines issued by SEBI / Stock Exchange from time to time pertaining to mutual funds including but not limited to regulations / guidelines on advertisements / sales literature, code of conduct and self-certification and shall not indulge in any kind of malpractice or unethical practice while marketing and distributing Units. The Distributor shall also comply with Association of Mutual Funds in India ("AMFI") guidelines.
- (d) the Distributor shall comply with instructions and procedures as mutually agreed between the Distributor and the AMC from time to time and shall also ensure such compliance by his employees, agents, servants and representatives selling the Units.
- (e) the Distributor shall comply with instructions and procedures as mutually agreed between the Distributor and the Registrar and Transfer Agent, acting on behalf of the AMC, and duly approved in writing by the AMC and shall also ensure such compliance by his employees, agents, servants and representatives selling the Units.
- (f) the Distributor has obtained and currently holds a valid AMFI Registration Number (ARN) which continues to be valid and certifies that all his employees, agents, and representatives engaged in sales and marketing of the Units are certified by AMFI and hold a current and valid AMFI certificate as required by SEBI. All the employees of non individual Distributors engaged in marketing and selling of mutual fund shall possess a valid photo-identity card with ARN of the Distributor they represent. The Distributor shall keep the ARN valid at all times. No commission or fee shall be payable on any application received during the period in which the above conditions are not fulfilled by the Distributor. In case of Stock Broker Distributor, he shall keep his stock exchange registration for enabling transactions in mutual fund units through Stock Exchange Mutual Fund Transaction Facility valid. In case such registration expires or any disciplinary action is taken against him by the Stock Exchange, the Stock Broker Distributor is otherwise not permitted to use the stock exchange platform for transacting in mutual units, he shall forthwith inform the AMC who may take necessary steps as deemed necessary in this behalf.
- (g) the Distributor shall provide such assistance as may be required by investors /Unit Holders/ the Registrar and Transfer Agent / the AMC to redress investor complaints and other issues relating to the distribution of Units by the Distributor, including co-ordination with the authorised collecting branches of the Distributor and the Registrar and Transfer Agent, within three days (or such time as AMC may prescribe) of receipt by the Distributor of any such complaint or particulars of any issue.
- (h) except as specifically advised by the AMC in writing or as described in the Offer Document of the Schemes, the Distributor shall not take any action that will result in public offering of Units or possession or distribution of the Offer Document of the Schemes in any jurisdiction outside of India.
- (i) during the course of marketing and procuring subscriptions for the Schemes, the Distributor shall not make or give any representation, statement or warranty or print or publish any information which is

incorrect, incomplete or misleading (whether by reason of any omission to state a material fact or for any other reason) or which may be in any manner harmful to or against the interests of the AMC or the Mutual Fund or which may result in a contravention of the provisions of the MF Regulations or of any other Applicable Laws, rules, regulations or guidelines from time to time in force or which is inconsistent with or contrary to the Offer Document.

- (j) all statements made and information which has been and/or which may hereafter be given by the Distributor to the AMC for or in connection with the Distributor's appointment and services as a Distributor under this Agreement is and shall be correct and complete and is not and shall not be misleading (whether by reason of omission to state a material fact or for any other reason).
- (k) the Distributor shall not use the name or any trade name, service name, logo or mark of the AMC or of any associated company of the AMC in any manner whatsoever except as expressly agreed in writing by the AMC and under no circumstance after termination of this Agreement.
- (l) the Distributor shall be responsible for providing the Foreign Inward Remittance Certificate or the certificate evidencing the subscription by way of debit to the Non Resident External/Foreign Currency Non Resident account of any non resident Indian / overseas corporate bodies, if allowed by Applicable Law and regulation, within five Business Days (or such number of days as agreed with AMC) from receiving credit to the Mutual Fund's account.
- (m) any subscription for Units received by the AMC from customer / investors of the Distributor shall be subject to final acceptance by the AMC and the AMC reserves the right to accept or reject the customers / investor / Unit Holders application. Further, the AMC/Fund shall not accept any request or order which is placed on a conditional basis or subject to any delay or contingency prior to execution.
- (n) the Distributor shall:
  - sell Units of the Scheme(s) only for payments by cheque or demand draft drawn on a bank, and no cash, money orders and postal orders will be accepted;
  - not purchase or redeem any Units, whether for his own account or for customer(s)/ investor/Unit Holder(s), at prices different from the prices quoted by the Mutual Fund;
  - not withhold placing investors' subscription for the Units so as to profit himself as a result of such withholding;
  - not use or design any advertising or sales material other than sales material released by the AMC relating to the Mutual Fund unless approved in writing by the AMC in advance.
- (o) the Distributor shall comply with all the statutory and other applicable requirements relating to prevention of money laundering ("AML") and/or "Know Your Client" ("KYC") guidelines issued and amended from time to time by any of the regulatory bodies in India, and in accordance with the Applicable Law. In addition to the aforesaid, the AMC may require the Distributor to follow additional KYC guidelines specified by it. Where the Distributor has submitted any investor application to the AMC without complete KYC documents / information, the AMC may require the Distributor to provide to the AMC/Mutual Fund all necessary documents / information in relation to the customer's / investor's / Unit Holders application as required as per

KYC processes. In the event of the Distributor not able to provide such documents / information as required by AMC, the AMC will be entitled to cancel the transaction and/or redeem the Units at Applicable NAV and / or close / freeze the investor account in question, or any combination of these measures. The AMC reserves the right to scrutinize and verify the identity of the investor, Unit Holder, person making the payment on behalf of the investor and the source of the funds invested / to be invested in Mutual Fund.

- (p) the Distributor shall upon a reasonable notice from the AMC provide such information or reports or documents in relation to investors or Distributor's business as the AMC may reasonably require.
- (q) the Distributor and all employees, agents and representatives of the Distributor shall at all times maintain confidentiality with regard to all matters and documentation and information relating to the AMC/Mutual Fund, any Schemes and issues raised by the AMC/Mutual Fund from time to time and shall not divulge or allow or cause to be divulged any confidential or proprietary information or know how which they have received from the AMC/Mutual Fund.
- (r) AMC/ Mutual Fund/Trustee will be entitled at all times to (i) appoint other distributors to sell / market the Units of Scheme(s); and (ii) sell Units of Scheme(s) directly to investors.
- (s) the Distributor shall not be entitled without the prior consent in writing of the AMC to assign, transfer, charge or in any manner make or create any third party right or interest in this Agreement or the Distributor's obligations or liabilities hereunder.
- (t) the Distributor, has never been refused any license or authorization nor any license / registration granted to him has ever been revoked; and further is currently not the subject of any proceedings by any regulatory authority, body or association nor is the Distributor aware of any such proceedings which are pending. In case any disciplinary action is taken against a Distributor by its regulatory authority / governing body, whereby he is unable to perform his obligations under this agreement wholly or in part, he shall forthwith inform the AMC, which shall take necessary action in this behalf as it deems fit.
- (u) the Distributor, has never been censured, disciplined, suspended or expelled by any regulatory authority.
- (v) the Distributor will recommend investment in Schemes after considering the suitability of particular Units as an investment for the relevant customer / investor / Unit Holder.

## 5. APPOINTMENT OF SUB-DISTRIBUTORS

- 5.1 The Distributor may appoint such sub-distributors as he deems fit and necessary. Each such sub-distributor appointed by the Distributor, and their directors, partners, employees and agents, to the extent required or necessary, shall have the necessary qualifications, approvals or licenses required to act in such capacity. The Distributor will oversee the activities of the sub-distributors and will be responsible for the activities of the sub-distributors. Further, the Distributor shall indemnify the AMC, the Trustee and the Mutual Fund for any and all costs, expenses, losses and damages that they may incur due to the negligence, willful default or fraud or any other act or omission of the sub-distributor. All AMFI registrations / certifications shall be valid at all times.
- 5.2 The AMC shall have no privity of contract with such sub-distributors so appointed by the Distributor and that both the AMC and the Mutual Fund are not liable for activities of the sub-distributors. AMC / Mutual Fund /

Trustee are not responsible for paying any compensation or fees or any other payment to the sub-distributors of the Distributor.

- 5.3 The agreement, if any, between the Distributor and sub-distributor(s) shall not contain any provisions contrary to the provisions of this Agreement.

## 6. PROVISION OF DOCUMENTS ETC.:

The AMC shall provide the Distributor with copies of the Notices and Addenda of each Scheme ("Documents") through email.

The Distributor will:

- a) Print (in same form and content as provided by AMC) and properly display the documents in his offices and in distribution centres operated by him;
- b) Provide the detail of the email address to the AMC and keep AMC informed about the changes to the email id for meeting the requirements as mentioned in the Clause 6(a);
- c) Provide legible hard copies of the relevant documents to investors/potential investors in the Mutual Fund.

The above addenda can also be downloaded by the Distributor from the website of the AMC.

## 7. CONTROLLING OFFICE

The Distributor shall in respect of all his operations and routine activities, designate a 'Controlling Office' and the AMC shall communicate with, and send all documents etc at such Controlling Office only, unless the AMC agrees otherwise.

## 8. FEES / COMMISSION OF THE DISTRIBUTOR

8.1 The AMC shall pay fees or commission, which shall include brokerage to the Distributor in respect of subscription for Units procured by the Distributor and which bears the Distributors' stamp as per following terms:

- (a) The fees or commission shall be paid at such rates and on such terms as communicated to the Distributor from time to time.
- (b) Payment shall be made within 14 days from the end of payment period.
- (c) Upfront Commission Payment Period shall be Monthly.
- (d) Trail Commission Payment Period shall be Monthly.
- (e) Commission will not be released until the amount payable exceeds a minimum threshold as fixed and communicated by the AMC from time to time.
- (f) The AMC shall make payment by direct credit to the account of the Distributor. The Distributor shall provide the bank account details in writing to the AMC at the time of signing of this agreement.
- (g) All payments shall be subject to applicable TDS (including any surcharge, cess and / or any levy thereon).
- (h) Service tax or any other tax, duty, cess, levy etc payable on commissions and other payments to the Distributor will not be paid / reimbursed / will be deducted from the commission / payments to the Distributor.

8.2 AMC shall not be required to pay fee or commission to the Distributor where the Distributors stamp is not affixed or the same has been cancelled, erased or crossed out or where applications are under "Direct" mode or where in the circumstances it is clear that the application was received through any person / means

other than the Distributor.

8.3 Any commission or fees shall be payable to the Distributor only after receipt by the AMC of all of the following (1) original signed and fully completed application of the investor; (2) documents required to be appended with the application including but not limited to a certified true copy of the client's identity document; and (3) cleared subscription money and until the subscription has been fully accepted by the AMC/Mutual Fund. No commission is payable if any application is rejected, for whatever reason, by the AMC. Where an application is subsequently cancelled or Unit allotment reversed due to application not complete / not received timely or any similar reason, for whatever reason, or in any instances where the Distributor has received commission to which he is not entitled, such amounts will become refundable by the Distributor forthwith.

8.4 AMC shall be entitled to deduct the service tax (or any similar tax, in lieu of or in addition to service tax), including any cess, surcharge or similar tax thereon, either in full or any part thereof, from the commissions or any other amounts payable to the Distributor.

8.5 AMC shall be entitled to revise (upwards or downwards) the rates of commission, as in force from time to time, by notice in writing to the Distributor in one or more of the following manner:

- (a) by a written notice to the Distributor sent by physical letter or electronically; or
- (b) by posting the revised rates on its Website in the account of the Distributor, where AMC has provided such facility of Distributor administrative accounts on its Website.

8.6 In case of any excess or wrong payment of commission or any other amount to the Distributor, or any commission or any other amount paid to the Distributor and which later is found to be recoverable or receivable from the Distributor for any reason whatsoever, AMC shall be entitled to adjust such excess or wrongly paid amounts in the subsequent payment(s) to the Distributor from his subsequent payments, or require the Distributor to repay or refund forthwith such amounts, and thereafter the Distributor shall repay the amount within 15 days after the receipt of any communication from AMC in that regard.

8.7 Notwithstanding the above, AMC shall not be obliged to pay any commission or remuneration to the Distributor if the termination is on account of fraud or any criminal conduct or serious violation of Applicable Law or for reasons given in this clause above or where the Distributor fails to maintain business volumes as may be required by AMFI guidelines or fails to provide Compliance Certificate as required by AMFI guidelines. The AMC will withhold / suspend commissions in case the AMFI registration has lapsed, as required by AMFI guidelines.

## 9. INDEMNITY

9.1 The Distributor shall indemnify and hold harmless the Mutual Fund, the Trustee Company and the AMC against any losses, costs or claims which they might incur/suffer as a result of (i) any unauthorized, misleading, false or inaccurate information, documentation, literature or representation relating to the Mutual Fund or the AMC which is made, issued or given by the Distributor (unless the information, documentation and/or literature has been provided or otherwise approved by the AMC) (ii) the negligence, fraud or willful misconduct of the Distributor, or his employees, agents, representatives, affiliates, managers or advisors (iii) breach of any of the terms, conditions, declarations, representations,

undertakings and warranties contained in this Agreement, on the part of the Distributor or his employees, agents and representatives (iv) any act or omission not being in accordance with the MF Regulations or any rule, regulation, circular or notice from the Regulatory Authorities.

9.2 The AMC shall indemnify and hold harmless the Distributor against any losses, costs or claims which it might incur/suffer as a result of: (i) the contents of the Offer Document, abridged offer document or any other material distributed by the Mutual Fund to the Distributor containing an untrue statement of a material fact or an omission of a material fact or (ii) breach of any of the terms, conditions, declarations, representations, undertakings and warranties contained in this Agreement provided that the Distributor has given a notice in writing to the AMC giving details of such breach and the AMC has not rectified such breach within 21 days after receipt of such notice.

9.3 AMC /Mutual Fund /RTA/ Stock Exchange / Clearing corporation shall not be liable to Stock Broker Distributor for act / omission of investors using Stock Exchange Platform / any other online transaction platform.

**10. NOTICE**

Any notice, communication or documents to be given by a party hereto to the other party may be given by personal delivery, courier, registered post / acknowledgement due or fax at the address hereinafter mentioned. The notice shall be deemed to have been served upon the party to whom it is given: if given by personal delivery, when so delivered and acknowledgement received; or if given by post, on receipt of the same; or if given by fax, upon acknowledged transmission thereof.

**Notice to the AMC** : Bharti AXA Investment Managers Private Limited X

**Designated person** : **Country Head – Business Development** X

**Address** : 51, 5th Floor, East wing, Kalpataru Synergy, Opp. Grand Hyatt, Vakola, Santacruz (E), Mumbai - 400 055

**Tel No** : +91-22-4047 9000

**Fax No** : +91-22-4047 9001

**Notice to the Distributor** : \_\_\_\_\_

**Designated person** : \_\_\_\_\_

**Address:** : \_\_\_\_\_

\_\_\_\_\_

**Tel No** : +91-

**Fax No** : +91-

**Email** :

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

**11. NO LIEN OR CHARGE**

The Distributor shall not in any way pledge or have any lien or charge on the properties of the AMC/Mutual Fund in his possession, for the fees or commission payable to the Distributor for distributing Units of the Mutual Fund.

**12. WAIVER**

No failure or delay on the part of either party in the exercise of any power, right or privilege hereunder shall operate as a waiver thereof, nor shall any failure or delay in exercise of

such power, right or privilege preclude the other from further exercise thereof.

**13. JURISDICTION**

This agreement shall be construed in accordance with the laws of India and shall be subject to the exclusive jurisdiction of the competent courts in Mumbai only.

**14. TERMINATION**

14.1 This Agreement shall terminate forthwith if so directed by SEBI or barred by the MF Regulations or any other law or if either of the parties hereto goes into liquidation or presents or is presented with a petition for or passes a resolution for winding up, either compulsory or voluntary (save for the purposes of reconstruction or amalgamation), or makes any arrangement with its creditors or any assignment for the benefit of creditors, or if a receiver or manager of its business or undertaking is duly appointed, or if distress or execution shall be levied or threatened upon any of its property, or if it suffers any similar action in consequence of debt.

14.2 This Agreement may be terminated, without assigning any reason, at any time by either of the parties hereto giving to the other not less than 30 days' prior written notice, provided that either of the parties hereto shall also have the right to terminate this Agreement forthwith if required by any law, rule, authority or government body to do so and the AMC shall have the right to terminate this Agreement forthwith (i) if the Distributor ceases to be authorized to carry on business; (ii) if the Distributor dies, becomes bankrupt, makes an agreement with creditors or where the Distributor being a company, goes into liquidation or is subject to an administration order or insolvency proceeding; or (iii) in the event of any negligence, willful default or fraud by the Distributor.

14.3 The Distributor and the AMC will be liable in respect of their actions during the subsistence of this Agreement. Notwithstanding the preceding, the clause relating to Confidentiality, Warranties and Indemnities shall survive termination of this Agreement provided, however, that the right of any party to file a claim will be subject to the Applicable Law of limitation.

14.4 Both during the termination of notice period and afterwards, the AMC will continue to pay the Distributor his commissions as communicated by the AMC to the Distributor from time to time, if not barred by law from doing so and provided the Agreement was not terminated by the AMC further due to provisions specified in clause 14.2(i) – 14.2(iii).

14.5 This Agreement shall also stand terminated by 15 days' written notice by the AMC to the Distributor, on happening of any or more of the following events:

14.5.1 if at any time after the occurrence of any material breach by the Distributor of any term or condition of this Agreement which, if capable of remedy, the Distributor fails to remedy within 15 (fifteen) days of receipt of a notice in writing from the AMC specifying such breach and requiring such breach to be remedied.

14.5.2 if the Distributor fails to meet minimum performance requirement as may be specified by the AMC from time to time.

14.5.3 immediately upon becoming aware of any commission or omission of any act by the Distributor, which in the opinion of the AMC may reflect adversely on the AMC or bring

the asset management business or industry into disrepute.

14.6 Upon the termination of this Agreement in whatsoever manner, AMC may publish notices in or through any media including newspapers and/or sending communication to its customer / investor /Unit Holder, branch offices, and/or the general public that the Distributor has ceased to be associated with the AMC.

14.7 In the event the Agreement is terminated, the Distributor and the AMC will hand over to the other party all the data, documents, reports, records and all other information and materials related to the other party within a period of 15 days from the termination of the Agreement. All the data relating to the Clients, investors or Unit holders shall be handed over by the Distributor to the AMC in case of termination. This obligation shall even survive the termination of this agreement.

**15. INTELLECTUAL PROPERTY RIGHTS AND BRANDING:**

The intellectual property rights (in the nature of trademark or copyright or any other right) in the brand name, product names, logos, designs, color schemes, marks, drawings, artistic work etc of the AMC (hereafter collectively referred as "Marks") exclusively belong and vest in the AMC. The Distributor is not permitted to use any Marks. The Distributor agrees and undertakes not to set up an adverse claim at any time either during the currency of this Agreement or at any time thereafter in relation to the Marks. The Distributor further agrees and undertakes that he shall not allow the usage of Marks by any other third party. Distributor is not permitted to use, assign, copy, modify, merge, or transfer the Marks or any part of them, and further agrees not to remove, conceal, or obliterate any copyright, credit-line, date-line or other proprietary notice included in any document, material, or other matter of the AMC.

**16. EXCLUSIVITY**

Both Parties are at liberty to enter into similar agreements with other persons or entities.

**17. OPERATIONS AND SERVICE STANDARDS**

All operating and servicing standards and procedures will be as agreed between the parties to this Agreement from time to time. The operating and service level standards will not require any amendment to this Agreement, but will be confirmed by exchange of letters. In case of Stock Broker Distributors, they shall also be governed by operating guidelines or any other communication issued by Stock Exchanges / Clearing Corporation / AMC/ SEBI / AMFI or other regulatory authorities from time to time.

**18. DISPUTES**

In the event of disputes, differences, claims and questions between the parties hereto arising out of this Agreement or in any way relating hereto or any term, consultation or provision herein mentioned or the construction or interpretation thereof or otherwise in relation hereto, the parties shall first endeavor to settle such differences, disputes, claims or questions by friendly consultation.

In the event of failure of parties to resolve by friendly consolation the dispute, the disputes, differences, claims and questions between the Parties hereto arising out of this Agreement or in any way relating hereto or any term, condition or provision herein mentioned or the construction or interpretation thereof or otherwise shall be referred to arbitration. The Arbitrator shall be appointed by the AMC. The

cost of appointing the Arbitrator shall be borne by the party intending to initiate arbitration proceedings. The arbitration shall be held in accordance with the Arbitration and Conciliation Act, 1996 or any statutory modification or re-enactment thereof for the time being in force and shall be held in Mumbai and conducted in the English language. The courts in Mumbai alone shall have jurisdiction in respect of such arbitration proceedings.

**19. AMENDMENTS**

No modification or amendment of this Agreement and no waiver of any of the terms hereof, shall be valid or binding unless made in writing and duly executed by both parties hereto.

**20. RELATIONSHIP**

None of the provisions of this Agreement shall be deemed to constitute a partnership between the parties hereto, and neither party shall have authority to bind the other except as specifically provided for hereunder. Neither party hereto is the agent of the other and there is no master-servant relationship between the parties.

**21. FORCE MAJEURE**

None of the parties will be liable for delay in performing any of its obligations under this Agreement or for failure to perform any of its obligations under this Agreement caused by events beyond its reasonable control including, without limitation, any act of God, flood, earthquake, fire, explosion, accident, war, terrorism, civil disorder, labor dispute, act of Government or regulatory authority, power failure or any similar event (each a "Force Majeure Event") and in the event of a Force Majeure Event, each party will continue to use all reasonable endeavors to perform its obligations under this Agreement.

**22. INVALIDITY**

If at any time any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under the law of any relevant jurisdiction, that will not affect or impair the legality, validity or enforceability in that jurisdiction of any other provision of this Agreement, or the legality, validity or enforceability under the laws of any other jurisdiction of that or any other provision of this Agreement.

**23. SUCCESSORS AND ASSIGNS**

The provisions of this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns and affiliates.

**24. SEBI REGULATIONS**

If any clause in this Agreement is in conflict with the MF Regulations or any other law for the time being in force, in that event, subject to clause 2.11, the MF Regulations or that other law shall prevail.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

Signed and Delivered by the within named

**Bharti AXA Investment Managers Private Limited**

through its authorized representative

Mr / Ms \_\_\_\_\_

Signed and Delivered by the within named Distributor

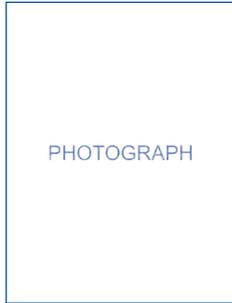
\_\_\_\_\_ X

through Mr / Ms \_\_\_\_\_.

# DISTRIBUTOR EMPANELMENT FORM

PLEASE FILL ALL FIELDS WITH BLACK BALL POINT, IN BLOCK LETTERS AND COMPLETE MANDATORY (MARKED\*) FIELDS

To,  
Bharti AXA Investment Managers Private Limited (BAIM)  
Mumbai



I / We furnish below the particulars required for empanelling myself / ourselves as a Distributor of BAIM, the Investment Manager to Bharti AXA Mutual Fund for undertaking the distribution activities.

## 1. CONTACT DETAILS

Name of Applicant  Mr.  Ms.  M/s. Gender  Male  Female

F I R S T										N A M E										M I D D L E										N A M E									
L A S T										N A M E																													

Correspondence Address

City	State	Pin code
------	-------	----------

Residential Address

City	State	Pin code
------	-------	----------

Office Address

City	State	Pin code
------	-------	----------

Tel No.	STD Code	Res.	Off.	Fax
Mobile No.		Email ID		

## 2. Statutory Disclosure

ARN No.  Certificate Valid Upto: PAN   Copy of PAN Card attached  
 Tax Status:  Resident Individual  Body Corporate  HUF  Sole Proprietorship  Foreign Company  Partnership Firm  NRI  Others

## 3. Business Details

- a. Number of Branches \_\_\_\_\_
- b. Number of AMFI certified employees eligible for distributing Mutual Funds \_\_\_\_\_
- c. Where do you do your business from (Please tick)  
 Home  Various Branches  Own Office  Business Center  Any Other please specify
- d. Which geographic areas do you get customers from? \_\_\_\_\_
- e. How do you acquire your customers?  
 Through sub-broker network  Through own feet –on-street sales staff  One-on-one selling by you  Through Internet  
 Walk in customers to your branches  Through direct mailers and newsletters  Work-site marketing through corporate tie-ups
- f. Which financial products do you offer to your customers? (please tick)  
 Insurance  Equity Shares  Post Office  Financial Planning with/without advisory fees  Mutual Funds  
 Equity Portfolio Management Services  Real Estate PMS/ Funds  GoI Bonds  IPOs  Any others please specify
- g. Since how many years are you selling investment products? \_\_\_\_\_
- h. Since how many years are you selling Mutual Funds? \_\_\_\_\_
- i. How many customers invest regularly in Mutual Funds?  Less than 25  25 to 100  100 to 250  250 to 500  Over 500
- j. Which customer segments do you focus on? (please tick)  HNI  Retail  Corporate  Trusts

Name of Applicant  Mr.  Ms.  M/s. Gender  Male  Female

F I R S T										N A M E										M I D D L E										N A M E									
L A S T										N A M E																													



**Annexure 1 - Form for Nomination (Only for Individual Distributor)**

To,  
Bharti AXA Investment Managers Private Limited (BAIM)  
Mumbai

<b>ARMFA Details</b>	
Name :	<input type="text"/>
ARN Code :	<input type="text"/>
Address :	<input type="text"/>
	<input type="text"/>
	<input type="text"/>

Dear Sir,

I

do hereby nominate the following person in whom on my death, the amount payable to me in respect of the commission pertaining to the units canvassed by me specified below shall vest and to whom such amount shall then be payable.

NOMINEE: Mr/Ms/Mrs

Signature

Address

#(Date of birth, if minor)

# The above nominee is a minor whose guardian's name, signature and address are as under.

Guardian :Shri/Smt

Signature

Address

#This nomination is in substitution of the nomination dated  and registered in your books which nomination shall stand cancelled on registration of this nomination.

# (Delete/strike off if not applicable)

Place:  
Date:

Signature of Distributor

**(For AMC use only)**

Signature verified:

Signature of authorized person:

Objection if any

Nomination verified



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**Investment Managers**

**Bharti AXA Investment Managers Pvt. Ltd.**

51, 5th Floor, East Wing, Kalpataru Synergy, Opp. Grand Hyatt, Vakola, Santacruz (E), Mumbai - 400 055

Toll free number : 1800-103-2263 • Alternate number : 020 - 40112300

Email : [service@bharti-axa-im.com](mailto:service@bharti-axa-im.com)