



## **Comprehensive Financial Planning & Investment Advisory Service Agreement**

Financial Planning & Investment Advisory Service Agreement (hereinafter referred to as "Agreement")

This agreement is entered between Seven Prosper Financial Planners Prop. Anmol Gupta (hereinafter referred to as “Investment Adviser”) and the “Client”, wherein Investment Adviser is registered with registration number INA000005622.

### **Consent of the Client**

I/We have read and understood the terms and conditions of Investment Advisory services provided by the Investment Adviser along with the fee structure and mechanism for charging and payment of fee.

Based on our written request/ telephonic conversation/webinar to the Investment Adviser, an opportunity was provided by the Investment Adviser to ask questions and interact with ‘person(s) associated with the investment advice’.

### **Declaration of the Investment Adviser**

Investment Adviser shall neither render any investment advice nor charge any fee until the client has signed this agreement.

Investment Adviser shall not manage funds and securities on behalf of the client and that it shall only receive such sums of monies from the client as are necessary to discharge the client’s liability towards fees owed to the Investment Adviser.

Investment Adviser shall not, in the course of performing its services to the client, hold out any investment advice implying any assured returns or minimum returns or target return or percentage accuracy or service provision till achievement of target returns or any other nomenclature that gives the impression to the client that the investment advice is risk-free and/or not susceptible to market risks and or that it can generate returns with any level of assurance.

### **1) Fees cap specified under Investment Adviser Regulations**

Regulation 15A of the amended IA Regulations provide that Investment Advisers shall be entitled to charge fees from a client in the manner as specified by SEBI, accordingly Investment Advisers shall charge fees from the clients in either of the two modes:

#### **(A) Assets under Advice (AUA) mode**

- a. The maximum fees that may be charged under this mode shall not exceed 2.5 percent of AUA per annum per client across all services offered by IA.
- b. IA shall be required to demonstrate AUA with supporting documents like demat statements, unit statements etc. of the client.
- c. Any portion of AUA held by the client under any pre-existing distribution arrangement with any entity shall be deducted from AUA for the purpose of charging fee by the IA.

(B) Fixed fee mode: The maximum fees that may be charged under this mode shall not exceed INR 1,25,000 per annum per client across all services offered by IA.

#### *General conditions under both modes*

- a. In case “family of client” is reckoned as a single client, the fee as referred above shall be charged per “family of client”.
- b. IA shall charge fees from a client under any one mode i.e. (a) or (b) on an annual basis. The change of mode shall be effected only after 12 months of on boarding/last change of mode.
- c. If agreed by the client, IA may charge fees in advance. However, such advance shall not exceed fees for 2 quarters.
- d. In the event of pre-mature termination of the IA services in terms of agreement, the client shall be refunded the fees for unexpired period. However, IA may retain a maximum breakage fee of not greater than one quarter fee.

## 2) Fees charged to the Client.

Client is being charged Rs. 11,900/- for “Comprehensive Financial Planning” service provided by the investment adviser, with scope of service mentioned in the following section.

## 3) Scope of service under “Comprehensive Financial Planning” includes:

1. Goal Setting and Feasibility Analysis - Assisting the client in converting his/her dreams into measurable financial goals and analysing the feasibility of achieving those goals.
2. Risk Profiling - Based on the client's current financial status, obligations, age combined with psychometrics, the risk taking appetite for the family is determined.
3. Existing Investments Review - In depth analysis of all existing investments including Mutual Funds, Insurance Products, Public Provident Fund, NPS, Bank Deposits/Instruments and other financial schemes (except stocks) giving the client a concrete advice on each of them.
4. Investments Planning and Recommendations - A solid investment plan in order to achieve the goals with asset allocation and investment recommendations tailored as per the client's specific risk taking appetite. The Investment Adviser also utilizes the client's existing investments optimally in the plan.
5. Emergency Fund - Action plan to set aside an adequate amount of money for emergencies based on the client's financial obligations.
6. Insurance Planning - Identifying the key risks and recommending an appropriate life and disability insurance coverage along with recommendations on some of the best policies out there.
7. Loan Planning - Telling the client an optimal amount of loan he/she needs to take in order to achieve goals like buying a house, so that it doesn't burden him/her.
8. Tax Saving - Helping the client reduce his/her tax burden under section 80C and 80CCD with appropriate investments considering his/her risk profile and your goals.
9. Cash flows projections - Next 12 months cash flow projections to help the client keep up with the plan.
10. Financial Plan for the family - The Investment Adviser doesn't charge separately for a couple. The investment Adviser understands that the client has common goals as family and creates a single plan considering both the members.

“Comprehensive Financial Planning” excludes:

1. Tips or any kind of advice on stocks and non-financial instruments.
2. Facility or assistance to execute the plan
3. Active monitoring of the investment portfolio
4. Plans for more than one scenario. Additional scenarios are considered as re-planning and charged accordingly.
5. Anything that is not mentioned explicitly in the “includes” section.

## 4) Functions of the Investment Adviser

Functions, obligations, duties and responsibilities of the Investment Adviser (including principal officer and all persons associated with the investment advice), with specific provisions covering, inter alia,

- a. Terms of compliance with the Securities and Exchange Board of India (Investment Advisers) Regulations, 2013 and its amendments, rules, circulars and notifications.
- b. Compliance with the eligibility criteria as specified under the Investment Adviser Regulations at all times.
- c. Risk assessment procedure of client including their risk capacity and risk aversion.
- d. Providing reports to clients on potential and current investments.

- e. Maintenance of records i.e. client-wise KYC, risk assessment, analysis reports of investment advice and suitability, terms and conditions document, related books of accounts and a register containing list of clients along with dated investment advice and its rationale in compliance with the Securities and Exchange Board of India (Investment Advisers) Regulations, 2013.
- f. Provisions regarding audit as per the Securities and Exchange Board of India (Investment Advisers) Regulations, 2013.
- g. Undertaking to abide by the Code of Conduct as specified in the Third Schedule of the Securities and Exchange Board of India (Investment Advisers) Regulations, 2013.

## 5) Investment objective and guidelines

Investment adviser agrees to provide investment advice on Mutual Funds, Fixed Income Products, Govt. Schemes, Insurance Schemes, Bank Deposits, Pension Schemes and other financial instruments except direct Stocks. Investment Adviser also agrees to recommend direct variants (commission free) of products wherever available to the best knowledge of the Investment Adviser.

## 6) Risk Factors

To refer to the risk factors associated with each type of investment, please refer to the following resources created by the Investment Adviser.

- a. [Risks with Equity Investments](#)
- b. [Risks with Debt Investments](#)

## 7) Validity of advisory services

Advisory service of the Investment Adviser will be valid for the client as defined in section 17. Client will be allowed to renew the service agreement by paying the renewal fees as mentioned on Investment Adviser's website (<https://www.7prosper.com/>) at the time of renewal subject to terms and conditions mentioned at the time of renewal.

## 8. Amendments

The agreement may be amended by mutual written consent of the parties.

## 9. Termination

This Agreement may be terminated under the following circumstances, namely-

- a. Voluntary / mandatory termination by the Investment Adviser.
- b. Voluntary / mandatory termination by the client.
- c. Suspension/Cancellation of registration of Investment Adviser by SEBI.
- d. Any other action taken by other regulatory body/ Government authority.

In case of a voluntary termination of the agreement, the client would be required to give a 30 days prior written notice while the Investment Adviser would be required to give a 30 days prior written notice.

In case of suspension of the certificate of registration of the IA, the client may be provided with the option to terminate the agreement.

## 10. Implications of Amendments and termination

- a. In case of amendments, the implication will be decided as per the mutual agreement of parties
- b. In case of termination of the agreement, the client will be eligible to get the refund of fees for the un-serviced period (if any), only if the Investment Adviser has not delivered the promised deliverables to the client.

## 11. Relationship with related parties

Investment Adviser hereby declares that he is carrying on its activities independently, at an arms-length basis with its related parties. Investment Adviser shall disclose conflicts to the client as and when it arises.

## 12. Investment Adviser declaration to other activities

The Investment Adviser declares that that it maintains an arms-length relationship between its activities as an investment adviser and other activities and to covenant that this arm's length relationship shall be maintained throughout the tenure of advisory service;

- a. Investment Adviser represents that he shall not provide any distribution services.
- b. Investment Adviser represents that the family of an individual Investment Adviser shall not provide distribution services to the client advised by the individual Investment Adviser, for securities and investment products.
- c. Investment Adviser represents that he shall not provide investment advisory services, for securities and investment products, to a client who is receiving distribution services from other family members.

## 13. Representation to client

The investment adviser to ensure that he will take all consents and permissions from the client prior to undertaking any actions in relation to the securities or investment product advised by the investment adviser.

## 14. No right to seek Power of Attorney

The Investment Adviser hereby declares that it shall not seek any power of attorney or authorizations from its clients for implementation of investment advice.

## 15. No conflict of interest

The Investment Adviser hereby declares that he will disclose all conflicts of interest as and when they arise and not derive any direct or indirect benefit out of the client's securities/investment products.

## 16. Maintenance of accounts and confidentiality

Investment Adviser shall be responsible for maintenance of client accounts and data as mandated under the Securities and Exchange Board of India (Investment Advisers) Regulations, 2013.

## 17. Terms of fees and billing

- a. The quantum and manner of payment of fees for investment advice rendered – Rs. 11,900/-
- b. Fee modalities and periodicity, by attaching a detailed fee schedule to the agreement – Fees is collected by the Investment Adviser for offering one-time service of "Comprehensive Financial Planning"
- c. How the fee is determined – Investment Adviser charges a flat fee to the client.
- d. Whether payment to be made in advance - Yes

- e. Type of documents evidencing receipt of payment of fee – Receipt given by payment gateway and the Investment Adviser's office.
- f. Periodicity of billing with clear date and service period – Services rendered by the Investment Adviser are on one-time basis with a service period of 7 days. Client, at their own will, can avail additional services by Investment Adviser.

The payment of fees shall be through a mode which shows traceability of funds. Such modes may include account payee crossed cheque/ Demand Drafts or by way of direct credit to the bank accounts through NEFT/ RTGS/ IMPS/ UPI or any other mode specified by SEBI from time to time. However, the fees shall not be accepted in cash.

#### **18. Liability of Investment Adviser**

Investment Adviser shall not incur any liability by reason of any loss, which a client may suffer by reason of any depletion in the value of the assets under advice, which may result by reason of fluctuation in asset value, or by reason of non-performance or under-performance of the securities/funds or any other market conditions.

#### **19. Representations and covenants**

Investment Adviser hereby declares that he is qualified to discharge duties of an Investment Adviser as per IA regulations, and that he shall maintain the validity of certifications as required by the regulations.

#### **20. Death or Disability of client**

In the event of client's death or disability during the service period, client's nominee or next to kin will have an option to either continue taking the service from Investment Adviser or terminate the agreement. Implications of termination of the agreement will be determined as per section 10.

#### **21. Death or Disability of investment adviser**

- a. In the event of death or disability of the Investment Adviser, Mr. Aashirwad Gupta (brother of the Investment Adviser) shall be the person-in-charge, referred to as "Obligor" hereon. He shall be reachable on aashirwad@7prosper.com.
- b. Obligor shall assess client's servicing status and inform the client about the eventuality at the earliest
- c. Obligor shall assess client's servicing status and process refund of fees (if any) as per section 10 from the Investment Adviser's business account after obtaining necessary legal clearances.
- d. Obligor shall not possess any personal liability towards refund of the fees.

#### **22. Settlement of disputes and provision for arbitration**

In case of any dispute, either judicial or quasi-judicial the same will be subject to the exclusive jurisdiction of the courts in Indore (M.P.). These terms shall be construed in accordance with the laws prevalent in India and are subject to SEBI guidelines, circulars, press releases or notifications that may be issued by SEBI from time to time or the Government of India, to regulate the activities of RIAs (Registered Investment Advisors).

#### **23. Adherence to grievance redressal timelines**

Investment Adviser shall be responsible to resolve the grievances within the timelines specified under SEBI circulars.

#### **24. Severability**

If any provision of this Agreement shall be held or made invalid by a court decision, statute, rule or otherwise, the remainder of this Agreement shall not be affected thereby.

## **25. Force Majeure**

The Investment Adviser shall not be liable for delays or errors occurring by reason of circumstances beyond his control, including but not limited to acts of civil or military authority, national emergencies, work stoppages, fire, flood, catastrophe, acts of God, insurrection, war, riot, or failure of communication or power supply. In the event of equipment breakdowns beyond its control, the Investment Advisor shall take reasonable steps to minimize service interruptions but shall have no liability with respect thereto.