

Name of Distributor : \_\_\_\_\_

<u>ARN:</u>	<u>SEBI Registration Number for NSEIL:</u>	<u>SEBI Registration Number for BSE:</u>
_____	_____	_____
	<i>(Copy attached)</i>	<i>(Copy attached)</i>

**ADDENDUM TO THE TERMS AND CONDITIONS OF THE DISTRIBUTOR EMPANELMENT FORM**

**ROLE/OBLIGATIONS OF THE DISTRIBUTOR FOR TRANSACTING ON MFSS/NMF II/BSE STAR MF/MFU OR ANY OTHER TRANSACTION PLATFORM AVAILABLE TO THE DISTRIBUTOR**

Securities Exchange Board of India (SEBI) vide circular SEBI/IMD/CIR No. 11/ 183204/2009 dated November 13, 2009 has issued guidelines for facilitating transaction in mutual fund schemes through the Stock Exchange infrastructure. The New Mutual Fund Service System (MFSS) and NMF II introduced by The National Stock Exchange of India Ltd. (NSEIL) and the Bombay Stock Exchange Platform for Allotment and Redemption of Mutual Fund units (BSE StAR MF) introduced by The Bombay Stock Exchange India Limited (BSE) are certain platforms launched with a view to enable trading of mutual fund schemes through NSEIL and BSE respectively, thereby giving effect to the aforesaid SEBI circular and subsequent guidelines issued by SEBI in this regard.

MFSS, NMF II, and BSE StAR MF facilitates the Distributor to buy/redeem units of Eligible Schemes of HDFC Mutual Fund (as defined vide Addendum dated December 3, 2009) using network, order collection, clearing and settlement mechanism adopted by NSEIL and BSE in order to facilitate such activities through National Securities Clearing Corporation Limited (NSCCL) and Indian Clearing Corporation Limited (ICCL) respectively.

Similarly, MF Utility (MFU) is a transaction aggregation portal initiated by Association of Mutual Funds in India (AMFI) and formed by Asset Management Companies of SEBI registered Mutual Funds, for enabling Investors and Distributors to transact in multiple schemes of various Mutual Funds with a single form and a single payment instrument. Both financial and non-financial transactions pertaining to Eligible Schemes of HDFC Mutual Fund can be done through authorized Points of Service of MF Utilities India Private Limited (MFUI) or electronically on the online transaction portal of MFU (as detailed in Addendum dated February 13, 2015).

These terms and conditions shall be applicable to all transactions in mutual funds executed by Distributors through MFSS, NMF II, BSE StAR MF, MFU, or any other similar facilities or platforms available to the Distributors and as may be specified in the Scheme Information Document (SID), Statement of Additional Information (SAI), Addendum, or such other document as may be issued by HDFC Asset Management Company Limited (HDFC AMC) from time to time.

The Distributor would be allowed to distribute the Eligible Schemes of HDFC Mutual Fund through MFSS, NMF II, BSE StAR MF, MFU, or such other platforms available to the Distributor for doing transactions in mutual funds provided the Distributor represents, agrees and confirms to HDFC AMC the following:

- 1) The Distributor confirms that it has obtained all necessary approvals, registrations and certifications required from relevant authorities for the purpose of participating in the MFSS/NMF II/BSE StAR MF/MFU or such other facility as the case may be and confirms that such approvals, registrations, and certifications shall remain in force, including by taking prompt steps for the renewal of the same. The Distributor agrees to submit to HDFC AMC all such approvals/authorizations as above as and when required by HDFC AMC.
- 2) The Distributor will abide by the terms and conditions as mentioned in the all applicable circulars and operating guidelines as may be issued from time to time by AMFI, NSEIL, BSE, recognized clearing corporations, depositories, MFUI and such other service providers as the case may be regarding the usage of the respective transaction platforms.
- 3) The Distributor will comply with SEBI Circular no. SEBI/IMD/CIR/No.4/168230/09 dated June 30, 2009 and such other applicable circulars as may be issued by SEBI from time to time and disclose to the Investors all the commissions (in the form of trail commission or any other mode) payable to the Distributor for the different competing schemes of various mutual funds from amongst which, the relevant scheme is recommended to the Investors.
- 4) The Distributor shall ensure that the Investors who wish to transact on MFSS/NMF II/ BSE StAR MF/MFU or such other available platforms hold the requisite registration/authorization, as the case may be, as per the terms and conditions as may be specified by NSEIL/BSE/MFUI or such other respective service provider from time to time.
- 5) The Distributor shall comply with the provisions as stated in the Deed of Undertaking and any other similar documents as may be furnished to NSEIL/BSE/MFUI or such other service provider, terms and conditions of the Eligible Schemes of HDFC Mutual Fund as detailed in the Scheme Information Document (SID), Statement of Additional Information (SAI), and Addendum issued by HDFC AMC for transacting on MFSS, BSE StAR MF, MFU, or any other similar platforms, and/or any other addenda that may be issued by HDFC AMC in respect of the Eligible Schemes of HDFC Mutual from time to time.

- 6) On receipt of an application for redemption from the Unitholder on any of the available transaction platforms, the Distributor shall verify the genuineness of the Unitholder including verification of the signature of the Unitholder from the original PAN of such Unitholder and any other document as may be deemed fit for the purposes of verification. The Distributor acknowledges that on the basis of the said verification and online feed on NSEIL, BSE, MFU, or such other Platforms as the case may be, HDFC AMC/Authorised Registrar shall process the redemption request and make the payment to the Unitholder without making any further verification. The Distributor agrees to indemnify HDFC AMC for all claims, costs, charges etc that may be suffered or incurred by HDFC AMC on account of any fraudulent, erroneous, negligent transaction request(s) (viz., purchase/redemption) that may be forwarded by the Distributor to NSEIL/BSE/MFU or to such other applicable transaction platform as the case may be and received by HDFC AMC therefrom.
- 7) An application for purchase/additional purchase without the details relating to PAN (requirement of PAN as detailed above), bank account details and such other regulatory requirement(s), as applicable, will not be accepted and such applications shall be rejected by the Distributor. The Distributor undertakes to correctly quote the PAN of the Investors in all cases and agrees to be liable for the same. Any transaction submitted for which validation of PAN proof is required but is not provided by the Distributor, will be rejected by HDFC AMC/Authorized Registrar.
- 8) The Distributor shall submit only such transaction requests that are valid in all respects including completeness of the attendant documents as may be required by HDFC AMC/NSEIL/BSE/MFU or such other service provider. The Distributor acknowledges that any transaction request, in respect of which any data is missing/lacking, shall be liable to be rejected by HDFC AMC/Authorised Registered at its sole discretion.
- 9) Any request or order for subscription to the units of the Eligible Schemes of HDFC Mutual Fund shall be subject to the final acceptance by HDFC AMC in accordance with the relevant SID/SAI of the respective Eligible Schemes and in accordance with circulars and operating guidelines as may be issued by NSEIL, BSE, MFUI, recognized clearing corporations, depositories, and such other entities as the case may be in this regard.
- 10) The Distributor will ensure compliance with all applicable laws, regulations in respect of Know Your Customer (KYC) & Prevention of Money Laundering as applicable to the Distributor as intermediaries and shall maintain and retain records of its Investors as per the provisions of Prevention of Money Laundering (Maintenance of Records) Rules, 2005 (PMLA) and SEBI circulars/guidelines issued thereto.
- 11) In an event the credit of the subscription amount is not received by the Distributor from the Investors due to any reason whatsoever and units have been redeemed by the Investors, HDFC AMC, NSEIL/NSCCL BSE/ICCL, MFUI, or such other service provider as the case may be, shall not be liable or responsible for any loss that may be suffered by the Distributor due to such non receipt of subscription amount from the Investors.
- 12) Once the intimation and or subscription amount is received by HDFC AMC/Authorised Registrar for transaction in the units of the Eligible Schemes of HDFC Mutual Fund, such intimation shall be final and cannot be modified by the Distributor.
- 13) ) In an event of termination of the arrangement between HDFC AMC and any service provider, including but not limited to, NSEIL/ NSCCL, BSE/ICCL, or MFUI, and/or suspension/cancellation order issued by SEBI against the Distributor, the Distributor's empanelment with HDFC AMC in respect of the transaction platform offered by the respective service provider, including, but not limited to MFSS/BSE StAR MF/MFU shall stand terminated forthwith without prior notice.
- 14) HDFC AMC shall not be liable for any losses, damages etc that may be incurred/suffered by the Investors on account of any failure of computer systems, telecommunication network and other equipments installed at the office premises of the Distributor and/or any misuse, mishandling, damage, loss, defect etc of the same.
- 15) The Distributor confirms that all the other terms and conditions including the data/details furnished by the Distributor in the Distributor Empanelment Form executed by the Distributor shall remain in full force and effect and shall be applicable *mutatis mutandis* to this Addendum.

I/We hereby agree to abide by the above-mentioned terms and conditions.

Signature of the Distributor : \_\_\_\_\_

Name of Distributor : \_\_\_\_\_

Date : \_\_\_\_\_

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