

Canara Robeco Mutual Fund Terms & Conditions for Individual Distributor Empanelment

These Terms and Conditions of Empanelment as a Distributor of Canara Robeco Mutual Fund ('CRMF') are a binding contract between yourself and Canara Robeco Asset Management Company Ltd. ("CRAMC") (as asset management company of CRMF) for your empanelment as a distributor of CRMF to distribute units of the schemes of the CRMF. Please read these Terms and Conditions carefully. By accepting these Terms and Conditions you acknowledge that you have read, understood and agree to be legally bound by them at all times.

OBLIGATIONS OF THE DISTRIBUTOR:

1. Any term referred hereunder will have the same meaning as attributed under the Scheme Information Document of the respective scheme(s) launched by CRAMC on behalf of CRMF.
2. The Distributor and its employees or representatives who will be involved in the distribution of the units of the schemes of CRMF represent and warrant that they are authorised to act as a distributor of mutual fund product(s) and have passed the necessary National Institute of Securities Markets (NISM) Certification Test and obtained a Employee Unique Identification Number (EUIN) from AMFI apart from AMFI Registration Number (ARN). The Distributor shall ensure that its employees quote the EUIN in the Application Form for investments.
3. The Distributor shall ensure that its employees or representatives have and at all times shall continue to hold all valid and subsisting approvals /registrations / certifications as may be required by law to perform its obligations hereunder during the term of empanelment and that they have not and shall not violate / breach any of the terms and conditions subject to which such approvals / registrations / certifications have been granted.
4. The Distributor agrees to comply with the provisions of Securities and Exchange Board of India ('SEBI') /AMFI Circulars including but not limited to SEBI Circular No. Cir/IMD/DF/5/2010 dated June 24, 2010 with regard to holding of valid certificate issued by AMFI/ NISM, SEBI Circular No. SEB/IMD/CIR No. 4/168230/09 dated June 30, 2009 with regard to disclosure of all types of commission payment to them for different competing schemes from various mutual funds, SEBI/IMD/CIR No. 174648/2009 dated August 27, 2009 regarding Code of Conduct, SEBI circular Cir/IMD/DF/13/2011 dated August 22, 2011 and AMFI circular No. 79/ARN/03/11-12 dated 13.09.2011 etc. and any amendments made thereof vide any notifications/circulars/guidelines issued in this respect from time to time.
5. The Distributor and its employees who will be involved in distribution of units of the schemes of CRMF must carry out such directions and instructions as may be issued by CRAMC from time to time and shall, at all times, comply with all the extant applicable laws, rules, regulations, guidelines, directions, etc.
6. The Distributor shall ensure that the terms and conditions mentioned herein or as amended from time to time are also complied with by the Distributors' employees, Distributor (including sub-Distributor) and representatives.
7. The Distributor must carefully read and understand the Scheme Information Document ('SID') and the Key Information Memorandum ('KIM') of the scheme(s) of CRMF and Statement of Additional Information ('SAI') and explain to the investors, the investment objectives, features of the schemes and risks associated therein. The Distributor must not make any representation concerning CRMF or any scheme of CRMF except those contained in the relevant SID, SAI, KIM and / or the marketing material issued by CRAMC.
8. The Distributor shall use only the SID, SAI, KIM and marketing material as is provided to him by CRAMC and the Distributor shall not design his own marketing material in respect of any scheme of CRMF unless he has obtained prior written approval of CRAMC for the same.
9. The Distributor shall at all times conduct himself with propriety and decorum and in a manner which is not prejudicial to the interest of CRAMC/ CRMF.
10. The Distributor must not use any malpractice and/or unethical means to sell, distribute market, solicit or induce any investor to undertake any transaction pertaining to the units of any scheme of CRMF.
11. The Distributor shall, at all times, comply with and adhere to the code of conduct for Distributors prescribed by AMFI, including any amendments thereto from time to time.
12. The Distributor shall comply with the provisions of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and guidelines/circulars issued by SEBI / AMFI from time to time pertaining to mutual funds with specific focus on regulations / guidelines on advertisements, sales literature and code of conduct.
13. The Distributor is not permitted to accept / receive cash towards investment in units of any scheme of CRMF or otherwise on behalf of CRAMC and all subscriptions procured by the Distributor shall only be accepted by means of Account Payee cheques, pay orders or demand drafts drawn in favour of "CANARA ROBECO MUTUAL FUND COLLECTIONS" as mentioned in the SID/KIM. The Distributor cannot, on behalf of CRAMC, issue receipt of any application form(s), cheque(s), demand draft(s), etc. received towards subscription or any transaction in the units of any scheme of CRMF.

14. The Distributor agrees to comply with the relevant provisions of the Prevention of Money-Laundering Act, 2002 and Know Your Client norms laid down by SEBI and AMFI as applicable and amended from time to time. The onus of conducting/adhering to the KYC norms is on the Distributor and the Distributor will ensure proper verification of identity of Clients/investors.
15. The Distributor shall, pursuant to the SEBI Circular No.SEBI/IMD/CIR No.12/186868/ 2009 dated 11th December, 2009 and the Process Note issued by AMFI by its letter No.35P/MEM-COR/7/09-10 dated 28th January, 2010, forward/submit to CRAMC/its Registrar & Transfer Agent ("RTA") transaction/ customer related documents including electronic logs within such timelines as specified by SEBI / AMFI prior to investment by the customer in any Schemes of the Fund. The Distributor also agrees to comply with any changes or modifications as may be advised by SEBI/AMFI and/or such other body from time to time in this regard. The Distributor hereby acknowledges that the transactions without support of the documents set out in the said circular/process note are liable to be rejected.
16. The Distributor shall communicate to CRAMC and/or the RTA all requests for changes in bank account, bank branch, nomination, dividend reinvestment status, etc., in respect of any folio alongwith physical copy of the logs of the request and relevant supporting documents received from investor within 2 working days of its receipt. CRAMC / the RTA shall act on all valid requests in accordance with the Regulations and terms of the Offer Document(s) of the Scheme(s). All non-financial transactions/requests shall be in the form of physical records or by e-mails. CRAMC and/ or its RTA will effect changes of all such non-financial requests sent through e-mails, only if they are sent from an authorised email address of the Distributor.
17. The Distributor agrees to comply with the process as may be prescribed/ changed or modified by the RTA for execution of transactions covered herein.
18. The Distributor and any of its employees, officers and affiliates thereof shall not offer, promise, give or pay (either directly or through a third party) any financial, business or other advantage:
 - i. to any person with the intention to induce, reward or otherwise influence such person to improperly perform a function or activity;
 - ii. to any public official with the intention to both influence such public official in the performance of his or her functions as a public official (which includes any exercise or omission to exercise those functions, even if outside such public official's authority) and to obtain or retain any financial, business or other advantage in the conduct of business.
19. The Distributor shall be responsible for providing the foreign inward remittance certificate or the certificate evidencing the subscription by way of debit to the NRE/ FCNR account of any non-resident Indian investor, within five days from the receipt of subscription by CRMF from such investor.
20. The Distributor agrees not to distribute the products of CRAMC to such investors who are banned from investing in India.
21. The Distributor shall not in any way pledge or create/have any lien or charge on the assets of the CRAMC, CRMF, the trustees of CRMF or any investor, that are in its possession, towards the fees payable to the Distributor for the services rendered herein.
22. CRAMC may call upon the Distributor to furnish any information or statistics including but not limited to his business with respect to other mutual fund(s).
23. The Distributor shall neither use nor display the name, logo, mark or any intellectual property of CRAMC/CRMF (or any things identical thereto) in any manner whatsoever, except as permitted by CRAMC.
24. The Distributor shall do all acts, deeds and things necessary on behalf of the CRMF/ CRAMC to enhance the investors' confidence and interest in the CRMF and ensure that the interests and reputation of the CRMF/ CRAMC are fully protected at all times and shall not undertake any obligation or incur any liability on behalf of the CRMF/CRAMC.
25. The Distributor shall be solely responsible for resolution of all the investor grievances/ complaints arising due to any acts or omission or gross negligence, misrepresentation, fraud or mistake not directly attributable to the CRAMC and shall provide complete assistance to CRAMC for redressal of complaints.
26. CRAMC shall from time to time publish notices, addendums and may make available to the distributor any other documents as may be related to the schemes of CRMF. The Distributor undertakes to: (a) properly display such documents in its places of business; (b) provide legible hard copies of such documents to investors/potential investors of CRMF.

FEES AND CHARGES PAYABLE TO THE DISTRIBUTOR:

27. The Commission and the periodicity of its payments for each scheme of CRMF will be decided by CRAMC at its discretion. Further, CRAMC has the right to revise the same from time to time as it thinks fit. The Distributor shall be eligible to receive commission based on the amounts mobilised by such Distributor under each scheme of the CRMF subject to such other terms and conditions as may be applicable.
28. CRAMC reserves the right to withhold the commission or any other amount payable to the distributor, pending submission of the declarations/documents/forms or any other information as may be required by the CRAMC.
29. The Distributor shall not have any right or claim against the CRMF / CRAMC for any loss, actual or notional, incurred by it due to any revision made by the CRAMC in commission or any change of terms and conditions of distribution.

30. In case the Distributor receives any commission or any other amount which is not due or payable to the Distributor, CRAMC / CRMF shall be entitled to recover the same or adjust all such amounts as are paid wrongly or by mistake to the Distributor. The Distributor also agrees to the claw back of all upfront payments of any nature whatsoever, including incentives or commissions made to the Distributor as contemplated in SEBI circular no. CIR/IMD/D1F/21/2012 dated September 13, 2012 and AMFI communication No. 35P/MEM-COR/38/2012-13 dated January 22, 2013.
31. The commission / brokerage payable by CRAMC in respect of distribution of Mutual Fund Units by the Distributor will be as per the brokerage structure as may be notified by CRAMC from time to time and will be inclusive of all taxes, cesses, charges and levies.

INDEMNITY:

32. The Distributor hereby declares and covenants to defend, indemnify and hold the trustees of CRMF, CRAMC and its directors, affiliates, promoters, employees, successors in interest and permitted assigns harmless from and against all claims, liabilities, costs, charges, damages or assertions of liability of any kind or nature resulting from:
 - (a) Any breach of terms, covenants and conditions or other provisions hereof, or any SID(s) / SAI or any actions or omissions thereunder;
 - (b) Any failure to comply with applicable legislation, statutes, ordinances, regulations, circulars administrative rulings or requirements of law;
 - (c) The misfeasance, malfeasance, negligence, defaults, misconduct or fraudulent acts of and/or by the Distributor or its representatives, employees, directors, agents, representatives; and
 - (d) Any and all actions, suits, proceedings, assessments, settlement, arbitration judgments, cost and expenses, including attorneys' fees, resulting from any of the matters set forth herein above.
 - (e) Fraudulent, improper, incorrect, wrongful or negligent performance, work, service, act or omission by the Distributor including any of its employees, and representatives;
 - (f) Willful misconduct of the Distributor or any of its employees, Distributor (including sub-Distributor) and representatives.
 - (g) Breach of any term or condition mentioned herein by the Distributor or any of its employees, Distributor (including sub-Distributor) and representatives;

TERM AND TERMINATION:

33. The empanelment of the Distributor shall continue to remain in full force and effect unless terminated by CRAMC or the Distributor, in accordance with the provisions contained herein. CRAMC shall be entitled to terminate the engagement of the Distributor forthwith, if:
 - (a) the Distributor is found to be a minor or adjudicated as an insolvent or found to be of unsound mind by a court of competent jurisdiction;
 - (b) it is found that the Distributor has knowingly participated in or connived in any fraud, dishonesty or misrepresentation against CRAMC / CRMF or any unit holder of CRMF.
 - (c) any statement made by the Distributor in the Distributor Empanelment Form is found to be false or misleading or intended to mislead.
 - (d) the Distributor conducts or acts in any manner, which is deemed prejudicial to the interest of CRAMC / CRMF;
 - (e) the Distributor does not comply with all applicable legislations, statutes, ordinances, regulations, administrative rulings or requirements.
 - (f) the Distributor remains inactive in business with CRAMC for a considerable period of time. CRMF also reserves the right to suspend brokerage under such circumstances.
34. Further, CRAMC shall have the right to terminate the empanelment of the Distributor, without any cause or assigning any reason, at any time by giving 30 (thirty) days' notice to the Distributor. The Distributor may also terminate his engagement with CRAMC at any time by giving a 30 (thirty) days' notice to CRAMC.
35. The empanelment of Distributor shall stand automatically terminated, without notice from CRAMC, upon disqualification or withdrawal of necessary authorisation(s)/ permissions applicable to the Distributor.
36. Upon any termination, the distributor shall forthwith return to CRAMC all documents, papers and material pertaining to and / or belonging to CRAMC / CRMF.

37. CONFIDENTIALITY:

(a) Confidential Information shall mean all information disclosed to the Parties under this Agreement including but not limited to the details of the investors. The Party receiving the information shall be the "Recipient Party" and the party disclosing the information shall be the "Disclosing Party". However, the Parties agree that the information which becomes generally available to the public other than as a result of disclosure by the disclosing party or by the disclosing party's agents (in the case of distributors, including the sub-distributors), employees or representatives; or Information which was previously known to the recipient Party prior to receipt from the disclosing Party; or Information that is developed independently by the recipient Party or any of its employees, agents or representatives who had no access to the Confidential Information provided by the disclosing Party; or Information which is disclosed to regulatory authority; or Information which is disclosed pursuant to the requirement or request of a Governmental Agency or a court of competent jurisdiction shall not be considered Confidential Information.

(b) Each Party further acknowledges and agrees to protect Confidential Information with the same standard of care that the disclosing Party uses in protecting its own Confidential Information. Parties hereto shall disclose Confidential Information or permit disclosure of Confidential Information to its employees or agents or Service Provider only on NEED TO KNOW basis.

(c) Information Technology Act and rules thereunder: Definition: 'Personal information and Sensitive Personal Data or Information' shall have the meaning assigned to them by the Information Technology Act, 2000 read with Information Technology (Reasonable security practices and procedures and sensitive personal data or information) Rules, 2011 as amended from time to time (hereinafter "the said Act & Rules"). Sharing, Collecting & Preserving of sensitive personal data and information: The Distributors and CRAMC mutually agree that they shall keep the Personal Information and/or Sensitive Personal information that is collected from the investors and/or unit holders as strictly confidential and would make use of the same only for the purpose for which it has been authorised. The Parties further agree that the recipient party shall ensure the same level of data protection as has been provided for in the said Act & Rules. That the Parties hereby confirm that they have the authority to collect and transfer the above referred Personal Information and/ or Sensitive Personal Data or Information, as per the Privacy Policy.

(d) The covenants of confidentiality set forth herein shall survive and continue and be maintained from the date hereof even after the termination of this Agreement.

MISCELLANEOUS:

38. Details of the distributor will be captured as per details available with Know Your Distributor (KYD) / Centralised Distributor Services Management System (CDMS)/AMFI (The Association of Mutual Funds in India), and in case of mismatch in the information provided by the Distributor and KYD/ CDMS/ AMFI records, CRAMC reserve the right to reject the empanelment. The first source of updating information will be from AMFI Database.
39. The Distributor hereby specifically authorises CRAMC to obtain KYD documents /records of the Distributor from KYD/CDMS/AMFI. If the CRAMC is not able to obtain /Download such details from KYD/CDMS/AMFI or the Distributor is not KYD Compliant or if the records are not in verified status, then CRAMC reserves the right to reject the empanelment or call for such records/ documents as may be required and the Distributor agrees to provide all such documents to CRMF/CRAMC, in order to comply with the provisions of Know Your Distributor norms laid down by AMFI/ SEBI as amended from time to time.
40. CRAMC reserves the sole right and discretion to change the status category of the Distributor.
41. The empanelment of the Distributor as a distributor of CRMF products shall be on a non-exclusive basis. The relationship between CRAMC and the Distributor is that of principal to principal and does not create any agency relationship or employee-employer relationship between CRAMC and the Distributor.
42. In respect of all disputes arising under this engagement, the courts at Mumbai alone shall have jurisdiction, in accordance with the laws of India.
43. The statements and declarations made by the Distributor herein are the basis of his empanelment as a Distributor.
44. The empanelment of the Distributor as a distributor of CRMF is subject to written confirmation from CRAMC. The Distributor shall promptly provide on periodic written declaration / confirmations along with supporting documents as required by CRAMC to ensure compliance with all applicable laws/rules/regulations/guidelines/SEBI/ AMFI circulars.
45. The Distributor shall not restrict the right of investor for changing the distributor, if the investor wishes to do so.
46. The Distributor understand/s that if he/they submit/s any Offline/physical transaction application to CRAMC which require physical signature, such transaction will be processed by CRAMC/ RTA only if the signature on the application matches with the signature as available with KYD/ CDMS/ AMFI records. The Distributor agree that any mismatch in signature would result in rejection of his/its request.

DECLARATION:

I/We have fully read, understood and accepted the above mentioned terms and conditions and agree to abide by the same at all times. I/We agree to submit such declarations/ documents/ forms as required by CRAMC from time to time.

I/we further agree to abide by the code of conduct and rules/regulations laid down by SEBI and AMFI. I/We shall neither pass on brokerage back to investors nor entice them with rebates/gifts. I/We further have no objection in the CRAMC taking any disciplinary action against me/us or any of my/our employee or representative if found having violated regulations/code of conduct.