PREM CAPITALS

AMFI Registered MutualFundDistributor | ARN: 90535

B/604,Shivam Pimple Savdagar 411027 , Pune

CLIENT HANDBOOK

Risk Profiling & Suitability SOP

A practicalguideto assessment,assignment,annualreview and client acknowledgement

> **PURPOSE**
> To document a consistent, client-fir st p ocess fo assessing isk, communicating the assigned p ofirle and eviewing suitability ove time.

CONTROLLED CLIENT DOCUMENT

Version 1.0 | Review cycle: Annual

SECTION 01 / Operating Procedure

The appropriat n ss principl

Ev ry r comm ndation mad und r incid ntal advic should b align d to th cli nt’s finnancial profinl . Risk profinling is on input into suitability; it do s not r plac consid ration of goals, tim horizon, liquidity, finnancial circumstanc s, liabiliti s or product-sp cifinc risks.

01	COLLECT	Obtain complete client information and responses through the approved digital or physical risk-profilling process.
02	ASSESS	Apply the approved scoring framework consistently. Record the total score, supporting information and assessment date.
03	ASSIGN	Map the score to the applicable risk category and issue the Risk Profille & Assignment Letteer.
04	MATCH	Use the assigned profille with goals, horizon, liquidity and capacity for loss when considering product suitability.
05	ACKNOWLEDGE	Explain the outcome, answer questions and obtain the client’s signed acknowledgement.
06	REVIEW	Review at least annually, and sooner when a material life or filnancial change is reported.

Cli nt ntry and r vi w rul s

- Newclients: complete p ofirling du ing onboa ding befo e p oduct suitability is conside ed.
- Existing clients: complete an annual p ofirle and po tfolio eview; eco d whethe the p ofirle is etained, upg aded o downg aded.
- Mino s: do not collect a standa d individual isk-p ofirling fo m fo clients below 18 yea s.
- Entities: obtain the sepa ate decla ation o autho isation applicable to LLPs, companies, t usts and pa tne ships.

TRIGGER AN EARLY REVIEW

Mate ial changes in income, esponsibilities, goals, ho izon, liquidity needs, liabilities, family ci cumstances, investment expe ience o tole ance fo ma ket volatility.

SECTION 02 / Risk Framework & Controls

Approv d scor -to-profinl mapping

Risk score	Assigned profile	Primary orientation
≤ 8	**Conservative**	Capital preservation and stability
> 8 to 12	**Moderately Conservative**	Preservation with limited growth
> 12 to 18	**Moderate**	Balanced risk and return
> 18 to 22	**Moderately Aggressive**	Growth with higher volatility tolerance
> 22	**Aggressive**	Long-term growth with high volatility tolerance

Cat gory guid

Conservative — Low tole ance fo volatility o potential loss; stability and p edictability a e p io itised.

Moderately Conservative — Limited tole ance fo fluuctuations; seeks a cautious balance between p ese vation and g owth.

Moderate — Accepts easonable tempo a y fluuctuations in pu suit of long-te m capital app eciation.

Moderately Aggressive — Accepts g eate volatility and tempo a y losses, gene ally with a longe investment ho izon.

Aggressive — High tole anceand capacity fo signifircant ma ket fluuctuations in pu suit of potentially highe long-te m etu ns.

CONTROL POINT

A highe   isk sco e neve gua antees highe   etu ns and neve means unlimited loss tole ance. A p ofirle alone does not make eve y p oduct in that isk catego y suitable.

Annual r vi w ch cklist

- ☐ Incomeandfirnancial ci cumstances
- ☐ Responsibilities and liabilities
- ☐ Goals and investment ho izon
- ☐ Liquidity equi ements
- ☐ Po tfolio and scheme pe fo mance
- ☐ Life-stage o family changes

CLIENT RISK ASSIGNMENT & ACKNOWLEDGEMENT / **Tear-Off Form A**

✂ DETACH ALONG THIS LINE ....

CLIENT NAME __________________________	PAN __________________________	ASSESSMENT DATE __________________________
RISK SCORE __________________________	ASSIGNED PROFILE __________________________	NEXT REVIEW DATE __________________________

Assignm nt r cord

Bas d on th information and r spons s provid d during th risk-profinling x rcis , th cli nt's total risk scor and corr sponding cat gory hav b n r cord d abov . Theis ass ssm nt is on input into d t rmining inv stm nt suitability.

Cli nt und rstanding

- ☐ Iunde stand the pu pose and outcome of the isk-p ofirling exe cise.
- ☐ Iconfir m that the info mation and esponses p ovided by me a e complete and accu ate to the best of my knowledge.
- ☐ Iunde stand that isk p ofirling is an assessment and not a gua antee of investment outcomes o   etu ns.
- ☐ Iunde stand that highe - isk investments may expe ience substantial fluuctuations and losses.
- ☐ Iunde stand that my p ofirle does not constitute a ecommendation fo any specifirc scheme, secu ity, p oduct o asset class.
- ☐ Iunde stand that goals, ho izon, liquidity, firnancial ci cumstances and p oduct-specifirc isks must also be conside ed.
- ☐ Iwill info m the dist ibuto of any mate ial change that may affeect my capacity o willingness to take investment isk.
- ☐ Ihave had an oppo tunity to seek cla ification about my sco e, catego y and its implications.

CLIENT SIGNATURE __________________________	PLACE __________________________
CLIENT NAME __________________________	DATE __________________________

DISTRIBUTOR USE

Rep esentative: ___________________________ ARN: __________________ Signatu e: __________________ Date: ______________

ANNUAL RISK & SUITABILITY REVIEW RECORD / **Tear-Off Form B**

✂ DETACH ALONG THIS LINE ··

CLIENT NAME __________________________________	PAN __________________________________	REVIEW DATE __________________________________
PREVIOUS SCORE/PROFILE __________________________________	NEW SCORE/PROFILE __________________________________	NEXT REVIEW DATE __________________________________

R vi w prompts

Review factor	Client response
Income / employment	◻ No hange ◻ Changed — details: ____________________________
Responsibilities / liabilities	◻ No hange ◻ Changed — details: ____________________________
Goals / investment horizon	◻ No hange ◻ Changed — details: ____________________________
Liquidity requirements	◻ No hange ◻ Changed — details: ____________________________
Family / life stage	◻ No hange ◻ Changed — details: ____________________________
Investment experience / tolerance	◻ No hange ◻ Changed — details: ____________________________

R vi w outcom

- ☐ Risk p ofirle etained
- ☐ Risk p ofirle upg aded
- ☐ Risk p ofirle downg aded
- ☐ Asset allocation eview equi ed
- ☐ Scheme eview equi ed
- ☐ No po tfolio action equi ed at this time

Not s / rational

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CLIENT SIGNATURE __________________________________	REPRESENTATIVE SIGNATURE __________________________________
DATE __________________________________	DATE __________________________________

A disciplined process.
A documented outcome.
A review that evolves with the client.

KEEP YOUR PROFILE CURRENT

Tell us whenever your income, responsibilities, goals, time horizon, liquidity needs or comfort with market volatility changes. Your risk profille should evolve when your circumstances do.

IMPORTANT NOTICE
Thiis handbook eco ds the isk-p ofirling and eview p ocess. Risk p ofirling is only one component of suitability and should not be const ued as a gua antee of etu ns o a ecommendation fo any specifirc p oduct, secu ity o asset class. Investment values may fluuctuate. Investo s should conside p oduct-specifirc isks, costs, featu es, liquidity and disclosu es befo e making an investment decision.

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