

# **Quantum AMC's Charter of Investor Rights**

Quantum Mutual Fund (Fund) has laid down the following Charter of Investor Rights in line with the SEBI (Mutual Funds) Regulations, 1996 (Regulations) and amendments thereon, and circulars issued by Association of Mutual Funds in India (AMFI). Scheme Information Documents (SIDs) and Statement of Additional Information (SAI) of the Fund have broadly prescribed the rights of investors. This Charter prescribes all the rights that an investor has by virtue of his investments in Quantum Mutual Fund while also consolidating rights as laid down in the Regulations / by AMFI as well as in the SID and SAI.

## **INVESTOR CHARTER FOR MUTUAL FUNDS**

### **VISION**

- To develop the Indian Mutual Fund Industry and bring a high degree of professionalism transparency and ethics by enacting regulations to govern the functioning of mutual funds in order to enhance and maintain standards to protect and promote the interests of unit holders of mutual funds.

### **MISSION**

- To support the development of a vibrant, transparent, ethical and globally competitive asset management industry.
- To enact and enforce rules and regulations that promote the maintenance of high professional and ethical standards in all areas of operation of the mutual fund industry.
- To work closely with the mutual fund industry in order to recommend and promote good business practices and a code of conduct to be followed by all asset management companies engaged in the activities of investment management in the best interests of unitholders / investors.
- To recommend standardized operational processes to be followed by the Mutual Fund industry for the convenience and benefit of the investors.
- To undertake nationwide investor awareness programmes, so as to inform and educate existing and prospective investors about mutual funds as an asset class and to educate the public about the concept and working of mutual funds.
- To protect the interest of investors/unit holders.

## **DESCRIPTION OF ACTIVITIES / BUSINESS OF THE ENTITY**

- To offer investment opportunities to the investors through various schemes.
- To pool money by issuing units to the investors at the applicable Net Asset Value (NAV).
- Deploy the monies pooled from investors in various securities and manage the portfolio in accordance with objectives as disclosed in offer document and in compliance with all applicable regulations.
- Disclose various information including NAV on daily basis, Risk-o-meter of schemes, portfolio of the schemes, performance of the schemes, annual report or abridged annual report etc.
- Pay redemption proceeds, dividends etc. to the investors.
- Process investor's financial and non – financial transactions / service requests.

## **SERVICES PROVIDED FOR INVESTORS**

<b>Non-Financial Transaction</b>		
<b>Sr. no.</b>	<b>Description of Service / Activity</b>	<b>Time taken for providing service</b>
1	Providing Consolidated Account Statement (CAS) for each calendar month	by 15 <sup>th</sup> of succeeding month
2	Providing Consolidated Account Statement (CAS) for the half year	By 21 <sup>st</sup> of succeeding month
3	Request for Dematerialisation of units	2 Days *
<b>Financial Transactions (Commercial Transactions)</b>		
<b>Sr. no.</b>	<b>Description of Service / Activity</b>	<b>Time taken for providing service*</b>
1	Pay-out of redemption proceeds	10 Days
2	Pay-out of dividend from the record date	15 Calendar days
3	Pay-out of proceeds on maturity of a close-ended scheme	10 Days
4	Issue of statement of accounts specifying the number of units allotted or issue units in the dematerialized form	5 days from the date of closure of the initial subscription list or from the date of receipt of the application
5	Refund of subscription Money in case of New Fund Offer	5 days from the date of closure of the initial subscription list
<b>Complaints/Requests</b>		
<b>Sr. no.</b>	<b>Description of Service / Activity</b>	<b>Time taken for providing service*</b>
1	Submission of ATR to SEBI in respect of complaint received from investor through SCORES	30 days
<b>Disclosure / Reports</b>		
<b>Sr. no.</b>	<b>Description of Service / Activity</b>	<b>Time taken for providing service</b>
1	Intimation regarding change in TER of schemes	3 days in advance of TER effective date
2	Intimation regarding change in Fundamental Attributes of schemes (Exit Window)	30 days prior to the effective date of Fundamental Attribute change
3	Intimation regarding Merger of schemes	30 days prior to the effective date of Merger
4	Intimation regarding Conversion of Close Ended Scheme to Open Ended Scheme	30 days prior to the effective date of conversion

Sr. no.	Description of Service / Activity	Time taken for providing service
5	Disclosure of Daily NAV other than FOF Schemes	Daily by 11 pm
6	Disclosure of Daily NAV of FOF Schemes	T+1 by 10 am
7	Disclosure of Fortnightly Portfolio of Schemes (Debt Schemes)	within 5 calendar days.
8	Disclosure of Monthly Portfolio of Schemes	within 10 calendar days
9	Disclosure of half Yearly Portfolio of Schemes	within 10 calendar days
10	Disclosure of Risk-o-meter	by 10th of calendar day
11	Disclosure of TER of scheme	Every day
12	Disclosure of Annual report of Schemes / abridged scheme wise Annual Report	Every year before July 31
13	Disclosure of Annual report of AMC	Within 4 months from the end of the financial year
14	Disclosure of half Yearly Unaudited Financials	within 1 month
15	Disclosure of notice in respect of Dividend declaration	5 calendar days prior to declaration of dividend
16	Disclosure of Complaints redressal report	2 months of the close of the financial year
17	Disclosure of Asset Under Management	7 days from the end of the month
18	Disclosure of transactions in debt and money market securities	15 days from each transaction day
19	Disclosure of half yearly updated scheme information document	1 month from the end of the half-year
20	Disclosure of half yearly updated Key Information Memorandum	1 month from the end of the half-year
21	Disclosure of statement of additional information	3 months from end of financial year
22	Disclosure of Executive Remuneration	1 month from the end of financial year.

**Notes:**

1. \*All the above mentioned time taken for providing service (Financial & Non-Financial) will be subject to receipt of complete documentation/information from the investor.
2. Day refers to working day unless otherwise specified.
3. The Asset Management Companies which fail to meet the stipulated timelines maybe liable for suitable action as deemed fit in terms of SEBI Act, 1992 or regulations framed thereunder.

## **GRIEVANCE REDRESSAL MECHANISM FOR INVESTORS**

1. In case of any grievance / complaint, an investor should approach the concerned Mutual Fund / Investor Service Centre of the Mutual Fund. If the complaint remains unresolved, the investor may write to the designated Investor Relations Officer of the mutual fund. The name of the Investor Relations Officer / contact person is generally mentioned in the Scheme Information Document (SID) of the mutual fund scheme, and also on the website of the concerned mutual fund, whom one may approach / write to in case of any query, complaints or grievance.
2. If the investor's complaint is not redressed satisfactorily, one may lodge a complaint with SEBI on SEBI's portal, named, 'SCORES', which is a centralized web based complaints redress system. SEBI takes up the complaints registered via SCORES (<https://scores.gov.in/scores/Welcome.html>) with the concerned mutual fund / intermediary for timely redressal. SCORES facilitates tracking the status of the complaint.
3. Investors may send their physical complaints to: Office of Investor Assistance and Education, Securities and Exchange Board of India, SEBI Bhavan. Plot No. C4-A, 'G' Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051

## **DO's and DON'Ts FOR INVESTORS**

### **Do's**

1. Check registration status of the Mutual Fund on SEBI website before transacting with them.
2. Read all Scheme related documents and understand the scheme features and the risks involved and suitability of the scheme to the investor's risk profile.
3. Provide and keep updated KYC details including address, tax status, residency, and other key information such as PAN & bank account details.
4. Provide own email address and mobile number and to promptly notify changes to this information, if any.
5. Check Account Statement & Common Account Statements for discrepancy, if any and promptly bring any such discrepancies to the notice of the Asset Management Company

6. Read communications / notices / addendums / press releases, etc. sent / or published by the mutual fund via newspapers, email, etc.
7. Consider availing nomination facility in respect of investments made in Mutual Funds.
8. Choose the plan for investments i.e. Direct Plan or Regular Plan.
9. Invest through registered and regulated entities
10. Keep confidential critical information such as user ID, password, etc.
11. Invest by issuing payments in the name of the Mutual fund / scheme only and not in the name of any other entity.

### **Don'ts**

1. Do not invest based on speculation, rumor or informal advice.
2. Do not fall for the promise of indicative or exorbitant or assured returns.
3. Do not issue blank cheques or blank signed transaction instructions.
4. Do not use third-party bank accounts for fund flows for subscription or redemption of units.

### **RIGHTS OF INVESTORS**

1. Right to receive information and details about the scheme including about its investment philosophy, risk profile, portfolio holdings, fees, charges and expenses and such other information as may be required under SEBI regulations to enable investors to make an informed decision about investing in a scheme, prior to making any such investment. It is the investor's right to know where the scheme portfolio investment is made, current value of the scheme portfolio, expenses charged to the scheme, appropriate disclosure of expenses charged and scheme accounting.

2. Right to timely receipt of account statement evidencing a transaction as specified in the SEBI Mutual Funds Regulations, or to receive such statements on request. An allotment confirmation is sent to the investor within 5 Business Days from the date of receipt of the transaction request. Investors can request for physical Statement of Account from Quantum 5 Mutual Fund / Karvy Computershare Private Limited and the same will be provided within 5 Business Days without any charges. Account Statement contains actual value of investments and current value of investments. Investors can also request for Unit Certificate to the AMC and it will be provided within 5 working days from the date of receipt of request as per the process prescribed in the SID and SAI. Investors can avail various services relating to investment to receive units in demat mode, nomination, additional / deletion of holder other than first holder, transmission of units in case of death of the unit holder.
3. Right to receive Consolidated Account Statement (CAS) at a periodic frequency as specified by SEBI. A Consolidated Account Statement is sent to investors for each calendar month within 10 days of succeeding month for the folio wherein transactions have taken place.
4. Right to timely disclosure of daily Net Asset Values (NAV), Portfolio and Performance of each scheme including scheme's AUM, investment objective, expense ratios on mutual fund website. The NAV of the scheme is uploaded daily on the AMC and AMFI websites respectively. The monthly scheme portfolio, monthly fact sheet, Half Yearly Unaudited Results and Annual Report is uploaded on the AMC website, which contains details of schemes investments, portfolio and expenses charged to the scheme.
5. Right to receive Annual report / abridged annual report of the scheme(s) invested in. The Annual Report is also sent to all investors. An investor can also request the AMC anytime to receive the same in hard / soft copy. The investor can expect maintenance of appropriate and complete records of portfolio investments of the Scheme.
6. Right to timely receipt of redemption proceeds / dividend payments / refunds, as applicable. Investor has right to receive redemption proceeds within 10 Business Days of receiving the redemption request and dividend amount within 30 days from the date of declaration of dividend. Investor will be entitled to receive interest @15% p.a. if there is delay in payment of redemption proceeds / dividend amount.

7. Right to be notified about any change in the fundamental attributes (features) of a mutual fund scheme in which the investor has investments and to be provided a right to exit the scheme without cost, if so desired, as a result of the fundamental attribute change. An investor has the right to understand whether the scheme investment strategy and asset allocation as prescribed in the Scheme Information Document is followed at all points of time. Investors can ask the Fund Management Team if there is any deviation from the investment objective, investment strategy and asset allocation as prescribed in the SID. Please click [here](#) to review schemes of the Fund whether they are true to its label or not.
8. Right to be informed about such disclosures which may have a material bearing on their investments in mutual fund schemes. The investor has the right to know whether the AMC is acting according to its fiduciary responsibility and has placed the interest of investors above its own interest and that of its employees. Investors have a right to know that the AMC has ensured reasonable care and prudent judgment while managing assets of the Fund, and has not engaged in practices so designed to distort prices or artificially inflate trading volume with the intent to mislead market participation; that research reports for investments made and investment justification are recorded, that the AMC has taken investment decisions as per the investment objective and investment strategy prescribed in the SID, that the AMC has not participated in any business relationship that could reasonably be expected to affect the independence, objectivity or loyalty to investors, not discriminated between two schemes of the Fund.
9. Right to privacy of information in accordance with the applicable laws of the land. The Fund collects investor's personal information in the application form, besides the investor also gives consent to receive communication and allow the Fund to share data with/from third party(ies) on the basis of such authorization. All personal information is kept confidential. The information is shared with third parties only to process financial / non-financial requests with whom the Fund has appropriate agreement to maintain confidentiality and with the Statutory Authority as and when requested by such authority. Please click [here](#) to read [Privacy Policy](#) of the Fund.



10. Right to security of, and access to, information provided to Asset Management Companies and their service providers in relation to investments in mutual funds. Right to have such information corrected and receive confirmation of such correction.

The following documents are available for inspection at the office of the Fund at 6th Floor, Hoechst House, Nariman Point, Mumbai - 400 021

- (a) Memorandum and Articles of Association of Quantum AMC
- (b) Investment Management Agreement
- (c) Trust Deed and amendments thereto, if any
- (d) Quantum Mutual Fund Registration Certificate
- (e) Agreement between Quantum Mutual Fund and the Custodian Deutsche Bank AG
- (f) Agreement with Karvy Computershare Private Limited - Registrar and Share Transfer Agents
- (g) Consent of Haribhakti & Co.,- Chartered Accountants - Auditors to act in the said capacity
- (h) Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments from time to time thereto.
- (i) Indian Trusts Act, 1882.

11. Right to information about how complaints are handled and can be escalated in the event investors are not satisfied with the resolution provided. The Fund has adopted a Grievance Policy which is available on the website. The policy contains how the query and complaint will be handled by the AMC, the escalation matrix, bifurcation of queries and complaints and disclosure of queries and complaints. The details of queries and complaints with time taken to resolve is uploaded monthly on the website. The complaints received and resolved and time taken to resolve during the year is available on website and also included in the Annual Report of the Fund. Please click here to read the [Grievance Redressal Policy](#).

12. Right to timely redressal of grievances and complaints within the timelines specified by regulations and the right to escalate complaint not resolved satisfactorily to the Investor Grievance Officer of the respective Asset Management Company.

13. Right to escalate unresolved complaints to SEBI via the SCORES portal.

14. **Right to Fair Treatment:** The investor has a right to be treated with courtesy. The Investor should not be unfairly discriminated against on grounds such as investment amount, gender, age, religion, caste and physical ability when offering schemes of the Fund and providing various services as a potential investor or as an existing investor of the Fund. All investors shall be treated equally irrespective of the amount of their investment in the Fund. No Investor shall be subject to unfair business or marketing practices, coercive contractual terms or misleading representations.
15. **Right to seek affirmation with regards to Risk Management, Compliance, and Support:** The investor has the right to know that the AMC has systems in place for its back office, dealing room, accounting and policy and process for compliances, Fair Dealing, Social Media, Insider Trading and Employee Personal Trading, Gift, Entertainment and Anti Corruption, Whistle 2 Blower, Anti Money Laundering, Risk Management, Trade Allocation, Trade Error, Investment and Valuation, Business Continuance and Disaster Recovery, Vendor selections and review, besides appropriate maintenance of Books and Records.
16. **Right to Know Key Personnel and Team:** The investor has right to know that the AMC has appointed key personnel including Chief Executive Officer, Fund Managers, Compliance Officer, Research, Operations, Accounting, Information Technology and Human Resource Team.
17. **Right to Terminate Appointment of Asset Management Company:** 75% of investors of the Scheme can terminate appointment of Asset Management Company of the Mutual Fund.
18. **Right to Information:** The investor has the right to know changes in the Key Personnel of the AMC, Financial Results of the AMC, commission / brokerage paid for execution of transactions in securities, Distributor commissions, management fees, Custodian, Fund Accountant, Bankers, Auditors, Directors, penalties and pending litigation or proceedings, major finding of inspections or investigations for which actions may have been taken against the AMC, Trustee, Sponsors or its associates.

## FUND Related

1. **Right to Suitability:** Schemes of the Fund offered to the investor should be appropriate to the needs of the Investor. Schemes invest in different asset classes as per the asset allocation and investment strategy defined in the SID. An investor should review the investment objective, asset class, investment strategy, features / option and taxation of the scheme before investment, considering his/her investment objectives, risk appetite, time horizon for investments. An investor should consult an investment advisor before investment.
2. **Right to Understand Risks:** Schemes of the Fund have different investment risks, High / Medium / Low which depends on the asset class in which investment is made by the scheme. The SID and SAI, communication / advertisement, fact sheet of the scheme discloses the product label of each scheme detailing 4 the risk of each scheme. The investor can review and understand the risks before investing into any of the schemes. Please click here to understand Risk in the schemes of the Fund.
3. **Right to Receive Fair and True Advertisement / Communication:** An Advertisement / Communication shall be accurate, true, fair, clear, complete, unambiguous and concise and timely and consistent with the SID and SAI, Regulations and shall have appropriate disclaimer as per Regulations. An Advertisement / communication shall not contain any statements which are false, misleading, biased or deceptive or likely to be misunderstood, or contain statements which directly or indirectly or by implication or by omission may mislead the investor. The performance of the scheme shall be provided with comparison of benchmark and additional benchmark.
4. **Right in the Beneficial Ownership:** Investors of the scheme have a proportionate right in the beneficial ownership of the assets of the Scheme.
5. **Right to Vote:** The First Holder representing holding in account or folio has one vote in respect of every resolution to be passed.
6. **Right to Know Voting in the Investee Companies:** The Fund has adopted a Proxy Voting Policy which is available on the website as well as in the Annual Report of the Fund. The Policy contains how voting rights will be exercised and conflict of interest will be managed while voting, to play an active corporate governance role in the investee companies. The detail of votes exercised is available on the website as well as in the Annual Report of the Fund. Please click here to read the Proxy Voting Policy and Voting Exercised.

7. **Right to Receive Compensation for Inappropriate Valuation:** Investor has right to get compensation from the Investment Manager and Sponsor of the Mutual Fund if any unfair treatment is meted out to the investor as a result of inappropriate valuation of investments held under the scheme.
8. **Right to wind Up the scheme:** 75% of investors of a scheme have the right to wind up a scheme by passing a resolution to that effect.

## **RESPONSIBILITIES OF INVESTORS**

1. To check registration status of the Mutual Fund on SEBI website before transacting with them.
2. To read all Scheme related documents and understand the scheme features and the risks involved and suitability of the scheme to the investor's risk profile.
3. To provide and keep updated KYC details including address, tax status, residency, and other key information such as PAN & bank account details.
4. To provide own email address and mobile number and to promptly notify changes to this information, if any.
5. To check Account Statement & Consolidated Account Statements for discrepancy, if any and promptly bring any such discrepancies to the notice of the Asset Management Company
6. To read communications / notices / addendums / press releases, etc. sent / or published by the mutual fund via newspapers, email, etc.
7. To consider availing facility to nominate in respect of investments made in Mutual Funds.
8. To choose the plan for investments i.e. Direct Plan or Regular Plan.
9. To invest through registered and regulated entities and not to invest based on speculation, rumor or informal advice.
10. To keep confidential critical information such as user ID, password, etc.
11. To invest by issuing payments in the name of the Mutual fund / scheme only and not in the name of any other entity.

12. To protect oneself by not falling for the promise of indicative or exorbitant or assured returns.
13. To protect oneself by not issuing blank cheques or blank signed transaction instructions.
14. To avoid using third-party bank accounts for fund flows for subscription or redemption of units.

\*\*\*\*\*