

Investment Vehicle Risk Awareness and Declaration



Dear [Client.FirstName] [Client.LastName],

Greetings from 29k Investment Advisers!

You are receiving this document as your investment portfolio or recommendations has investment vehicles with risk rating higher than 2 as per our internal investment vehicle risk rating given below(Graph 1). As your investment consultant, it is our duty to make you aware of the various risks associated with the investment vehicles.

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29k Investment Advisers Private Limited

Level 15 Concorde Towers UB City 1 Vittal Mallya Road

Bangalore KA 560 001 INDIA

Tel: +91 90 19 110 110 | email: support@29kadvisers.com | website: www.29kadvisers.in

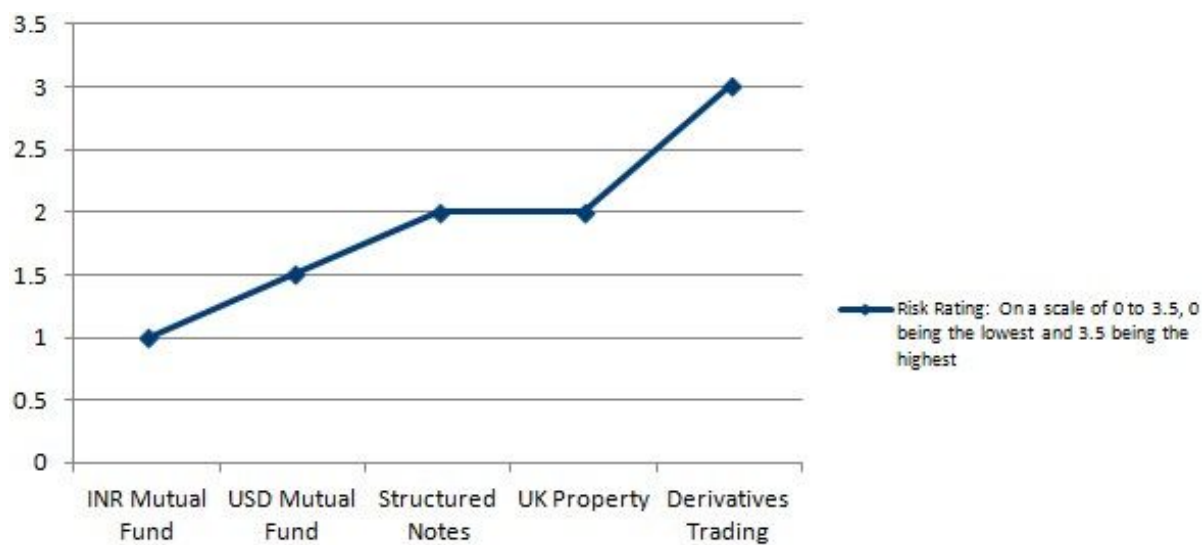
CIN: U65991KA2008PTC047350 | SEBI Registration No: INA200000365 | AMFI Registration No: ARN-66912

I. Risk Rating

These investments are part of your current portfolio or recommended portfolio depending on your risk profile and financial status.

Your risk profile is **<risk profile>**, and net worth as on **<date>** is **<net worth amount>** excluding your personal residence and jewellery as per the financial data provided by you.

Graph 1:



The risk rating depicted above is indicative only and includes only the investment vehicles that 29k Advises.

II. 29k Investment Strategy

Our investment advisory team conducts financial analysis based on the below to recommend a portfolio that suits the client's risk appetite and requirement.

1. The risk score is one of the factors that we consider which forms the emotional risk tolerance level.
2. Your consultant considers your financial capacity to take the risk. Here we analyze whether you have the financial capacity to take the risk. Example: You are completely dependent on your investments to meet the goal. In that case, even if you are an aggressive investor, your consultant will not be suggesting the asset allocation linked to the aggressive profile.
3. Your perception of risk is based on your personal experience and financial status. This is very subjective which can be analyzed only personally by the consultant by interacting with you.

III. Investment Vehicle Risks

Even though the above process is in place to choose the right investment vehicle based on the risk appetite, there are risks associated with each investment vehicle which is beyond our control. Below are few of the major risks associated with the provided investment vehicles:

1. **Market risk:** Market risk is the possibility of an investor experiencing losses due to factors that affect the overall performance of the financial markets in which he or she is involved. Market risk, also called "systematic risk," cannot be eliminated through diversification, though it can be hedged against. Sources of market risk include recessions, political turmoil, changes in interest rates, natural disasters and terrorist attacks.
2. **Currency risk:** Currency risk, commonly referred to as exchange-rate risk, arises from the change in price of one currency in relation to another. Investors or companies that have assets or business operations across national borders are exposed to currency risk that may create unpredictable profits and losses.
3. **Interest rate risk:** The interest rate risk is the risk that an investment's value will change due to a change in the absolute level of interest rates
4. **Liquidity risk:** The liquidity risk is the risk that stems from the lack of marketability of an investment that cannot be bought or sold quickly enough to prevent or minimize a loss.
5. **Margin Loss:** Among the investment vehicles suggested, the highest risk is associated with the futures strategy investments in which there is a risk of margin loss even to the extent of total loss of investment amount and is recommended only for a sophisticated investor after completing the compliance requirements listed by 29k.

IV. Compliance Requirements

The compliance requirements are based on your risk profile and your network. Please refer below table for the compliance check conducted on your eligibility to invest in the futures strategy investment.

Heading	Description
Risk Profile	Your risk profile is aggressive and it satisfies the requirement.
Networth	As per the compliance, we prefer only <percentage> of your networth is invested in the futures strategy due to the risk of margin loss. The networth details provided to us does not satisfy this criteria. In case you still wish to invest in this investment vehicle, we suggest you go through the risks explained in the section 'Investment Vehicle Risks' thoroughly before investing.
Income tax return	Request to provide a copy of the latest income tax return acknowledgement.
Further Documentation	The company may request for further documentation once the analysis is completed.
Disclaimer	Should you desire to execute the above recommendations through a different entity, do keep us informed in order to act accordingly. Else our Support team will get in touch with you in this regard.

V. Declaration

1. The advice to be provided to you by another intermediary with regard to the transactions in the derivatives markets may be deficient or may require verification.
2. **[Consultant.FirstName] [Consultant.LastName]**, my consultant at 29k Investment Advisers Private Limited has explained the risks that you may face in the derivatives market and you have decided to go ahead with the investment in

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derivative product after taking into consideration the risk involved.

3. The company has considered the financial data shared by you to assess the eligibility.

Should you have any queries on the above, please do not hesitate to respond to this by commenting on the comment box available in the right hand side or email to adviser@29kadvisers.com.

Kind Regards,

Investment Advisory

Consultant
<div>[Consultant.FirstName] [Consultant.LastName]</div>

I , [Client.FirstName] [Client.LastName] confirm that I have read and understood the contents of this letter and agree that it accurately reflects my fair understanding of the risks involved in the investment vehicles explained in graph 1. I hereby provide my consent by signing this document.

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