**CONTRIBUTION AGREEMENT**

**FOR**

**Demo Fund**

Amongst

**[Trustee name]**

(“**Trustee**”)

And

**[Fund manager Co]**

(“**Investment Manager**”)

And

**«=investor\_kyc.full\_name»**

(“**Contributor**”)

**CONTRIBUTION AGREEMENT**

**FOR**

**DEMO FUND**

**THIS CONTRIBUTION AGREEMENT** (hereinafter referred to as this “**Agreement**”) is executed at New Delhi on «=effective\_date»:

**BY AND AMONGST:**

1. **AceTrusteeship Services Limited**,a company incorporated under the Companies Act, 2013, and having its registered office at Kubera Chambers, First Floor, Shivajinagar, Pune – 411 005, Maharashtra, India (hereinafter referred to as the “**Trustee**”which expression shall, unless repugnant to or inconsistent with the context or meaning thereof, be deemed to mean and include its successors and permitted assigns) acting in its capacity as the trustee of “**Demo Trust**”(hereinafter referred to as the “**Trust**”) of the FIRST PART;

AND

1. **Demo Fund LLP**, a limited liability partnership incorporated under the Limited Liability Partnership Act, 2008, and having its registered office at 123 Anywhere Street Mumbai 400001 India (hereinafter referred to as the “**Investment Manager**”, which expression shall, unless repugnant to or inconsistent with the context or meaning thereof, be deemed to mean and include its successors and assigns) of the SECOND PART;

AND

1. **Person named under Annexure A** (hereinafter referred to as the “**Contributor**” which expression shall, unless repugnant to or inconsistent with the context or meaning thereof, be deemed to mean and include their permitted assigns) of the OTHER PART.

In this Agreement, unless the context otherwise requires, (i) the Trustee and the Investment Manager shall hereinafter be jointly referred to as the “**Fund Parties**”; and (ii) the Trustee, Investment Manager and the Contributor shall hereinafter be jointly referred to as the “**Parties**”, and individually as a “**Party**”.

**WHEREAS:**

1. Under the Indenture (as defined herein below), the Trustee has been appointed by the Settlor (as defined herein below) to act as a trustee to the Trust. The Trust is organized as a contributory determinate trust, settled in India by the Settlor (with Initial Settlement being irrevocable) under the provisions of the Indian Trusts Act, 1882, pursuant to the Indenture and which is registered as a Category II AIF (as defined herein below) under the Regulations (as defined herein below).
2. The Settlor has set up the Trust (as defined herein below) which shall launch Schemes in accordance with the Indenture and the Memorandum (as defined herein below). The Schemes shall invest in accordance with the Indenture, Memorandum and as per Applicable Laws (as defined herein below) in Portfolio Entities (as defined herein below).
3. Under the Investment Management Agreement (as defined herein below), the Trustee has appointed the Investment Manager for the primary purpose of advising, managing and administering the Contribution Fund (as defined herein below) and to invest the Investable Funds (as defined herein below) by providing professional services to the Trust and its Scheme/s. The Capital Contribution (as defined herein below) drawn down by the Investment Manager under this Agreement shall be invested by the Fund in terms of the Trust Documents (as defined herein below) and the Contributor having read and understood the same.
4. The Contributor acknowledges the receipt of the Memorandum and having read and understood the terms and conditions contained in the Memorandum, hereby unconditionally agrees to contribute to the Fund on the terms and conditions as contained in the Memorandum, the Indenture and this Agreement.
5. The Parties are executing this Agreement to record the terms and conditions based on which the Contributor shall make Capital Contributions (as defined herein below) to the Fund and subscribe to such Class of Units of the Fund as stated in **Annexure A** hereto and other matters, incidental and ancillary thereto, which they agree will be interpreted, acted upon and governed in accordance with the terms and conditions of the Trust Documents.

**NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:**

# Definitions

* 1. In this Agreement, the following terms shall have the meanings as hereinafter set forth:
     1. “**Additional Commitment**” shall have the meaning assigned to such term under **Clause 2.31[[1]](#footnote-1)** of this Agreement.
     2. “**Additional Return or Residual Distribution**” has the meaning assigned to such term under **Clause 10.8** of this Agreement.
     3. “**Advisory Board**” means the board which may be appointed by the Investment Manager in accordance with the terms and conditions as laid out in the Trust Documents.
     4. “**Alternative Investment Fund**”or“**AIF**” means an alternative investment fund registered under the Regulations under an appropriate category.
     5. “**Agreement**” means this contribution agreement executed amongst the Contributor, the Trustee and the Investment Manager primarily to regulate acceptance, management, administration and disbursal of Capital Contributions and the distribution of income, gains and proceeds thereon and other terms described therein and as amended, modified, supplemented or reinstated from time to time, together with all annexures, schedules and exhibits, if any and the term “**Agreements**” means this Agreement and all other contribution agreements entered into with other Contributors.
     6. “**Applicable Law/s**”means any applicable statute, law, ordinance, regulation, rule, order, bye-law, administrative interpretation, writ, injunction, directive, judgment or decree or other instrument including the Regulations which has a force of law, as is in force from time to time.
     7. “**Associate**” has the meaning as given to the term in the Regulations.
     8. “**Beneficial Interest**” means the interest held by each of the Contributors in the Fund as determined in accordance with the Indenture and Annexure A thereto.
     9. “**Business Day**” means any day, which is not a Saturday, Sunday, or a day on which the banks or stock exchanges in India are authorized or required by Applicable Laws to remain closed or such other events as the Investment Manager may specify from time to time.
     10. “**Capital Commitment**” means the amount agreed by the Contributor in writing, to be contributed to the Fund, in accordance with the provisions of this Agreement.
     11. “**Capital Contribution**” means that portion of Capital Commitment contributed by the Contributor to the Fund, pursuant to issuance of the Drawdown Notice/s in accordance with the provisions of this Agreement and the Memorandum.
     12. “**Catch-up Contribution**” shall have the meaning as ascribed to such term under **Clause 3.1.1** of this Agreement.
     13. “**Category II AIF**” means a Category II Alternative Investment Fund registered with SEBI under the Regulations.
     14. “**Cause**” shall have the meaning ascribed to such term under **Clause 12.5**.
     15. “**Class**” with respect to the Units of the Fund means a class/Subclass/series or category of Units of the Fund, as distinct from another class/Subclass/series or category of Units of the Fund and is distinct from the rights, interests and liabilities of Units of the other class/Subclass/series or category of Units vis-à-vis the respective Schemes of the Trust.
     16. “**Class A Units**”means the Units of the Fund, being offered through the Memorandum, to be issued to Contributors making Capital Commitment to the Fund (either individually or together with their affiliates) in accordance with the terms of their respective Agreements (including Units of Subclass/es, such as Class A1 Units and Class A2 Units and so on), which represent Beneficial Interest of the respective Contributor in the Fund, the face value of which shall be Rs. 1000 (Indian Rupees One Thousand).
     17. “**Class A1 Units**” means the Units of the Fund, being offered through the Memorandum, to be issued to Contributors (either individually or together with their affiliates) making Capital Commitment to the Fund on an as needed basis, in accordance with the terms of their respective Agreements, which represents Beneficial Interest of the respective Contributor in the Fund, the face value of which shall be INR 1,000 (Indian Rupees One Thousand).
     18. “**Class A1 Distribution Proceeds**” shall have the meaning ascribed to such term under **Clause 10.8**.
     19. “**Class A2 Units**” means the Units of the Fund, being offered through the Memorandum, to be issued to Contributors (either individually or together with their affiliates) making Capital Commitment to the Fund and contributing up to 10% (ten percent) of their Capital Commitment upfront, in accordance with the terms of their respective Agreements, which represents Beneficial Interest of the respective Contributor in the Fund, the face value of which shall be INR 1,000 (Indian Rupees One Thousand).
     20. “**Class A2 Distribution Proceeds**” shall have the meaning ascribed to such term under **Clause 10.8**.
     21. “**Class B Units**” means the Units of the Fund, being offered through the Memorandum, to be issued to offshore Contributors (either individually or together with their affiliates) making Capital Commitment directly to the Fund, in accordance with the terms of their respective Agreements, which represents Beneficial Interest of the respective Contributor in the Fund, the face value of which shall be INR 1,000 (Indian Rupees One Thousand).
     22. “**Class B Distribution Proceeds**” shall have the meaning ascribed to such term under **Clause 10.8**.
     23. “**Class C Units**”means the Units of the Fund, being issued to the Sponsor, and/or its group entities/affiliates or partners and/or advisors/strategic partners as decided by the Investment Manager, making Capital Commitment to the Fund in accordance with the terms of its respective Agreements, which represents Beneficial Interest of such Contributor/s in the Fund, the face value of each shall be INR 1,000 (Indian Rupees One Thousand).
     24. “**Class C Distribution Proceeds**” shall have the meaning ascribed to such term under **Clause 10.8**.
     25. “**Class G Units**” means the Units of the Fund, being offered through the Memorandum, to be issued to the feeder fund making Capital Commitment to the Fund, in accordance with the terms of their respective Agreements (including Units of Subclass/es, such as Class G1 Units and Class G2 Units and so on), which represents Beneficial Interest of the respective Contributor in the Fund, the face value of which shall be INR 1,000 (Indian Rupees One Thousand).
     26. “**Class G1 Units**” means the Units of the Fund, being issued to the feeder fund with respect to the Capital Commitment received from the offshore Contributors making Capital Commitment in accordance with the terms of their respective Agreements, which represents Beneficial Interest of such Contributor/s in the Fund, the face value of each shall be INR 1,000 (Indian Rupees One Thousand).
     27. “**Class G1 Distribution Proceeds**” shall have the meaning ascribed to such term under **Clause 10.8**.
     28. “**Class G2 Units**” means the Units of the Fund, being issued to the feeder fund with respect to Capital Commitment received from its sponsor making Capital Commitment in the Fund, in accordance with the terms of its respective Agreements, which represents Beneficial Interest of such Contributor/s in the Fund, the face value of each shall be INR 1,000 (Indian Rupees One Thousand).
     29. “**Class G2 Distribution Proceeds**”shall have the meaning ascribed to such term under **Clause 10.8**.

* + 1. “**Closing**” shall mean obtaining of Capital Commitments from the Contributors identified by the Investment Manager in accordance with the Trust Documents. Reference to Closing shall mean reference to First Closing, any Subsequent Closing(s) and the Final Closing (as the context may require).
    2. “**Co-Investor**” shall have the meaning as ascribed to such term under **Clause 2.6** of this Agreement.
    3. “**Co-Investment**” shall have the meaning as ascribed to such term under **Clause 2.6** of this Agreement.
    4. “**Commitment Period**” means the period within which the Contributors are required to make Capital Contributions, in accordance with their respective Agreements and will include extensions thereto, if any.
    5. “**Compensatory Contribution**” shall have the meaning as ascribed to such term under **Clause 3.1.1** of this Agreement.
    6. “**Conflicted Transaction**” shall have the meaning as ascribed to such term under **Clause 18** of this Agreement.
    7. “**Contributor**” or “**Investor**” means the Eligible Persons, each of whom have made or agreed to make a Capital Commitment to the Fund in accordance with the respective Agreement/s and the Memorandum and shall include without limitation any Eligible Persons becoming transferees of Units in accordance with the provisions of the Trust Documents.
    8. “**Contribution Fund**” means the aggregate of Capital Contributions including any additions/reductions thereto and undistributed income accumulated in respect thereof but does not include the Initial Settlement and accretions thereto.
    9. “**Corpus**”means the aggregate amount of Capital Commitments made by the Contributors to the Fund by way of the respective Agreements as on a particular date.
    10. “**Cure Period**” shall have the meaning as ascribed to such term under **Clause 12.5** of this Agreement.
    11. “**Deceased Investor**” shall have the meaning as ascribed to such term under **Clause 9.12** of this Agreement.
    12. “**Default Amount**” shall have the meaning as ascribed to such term under **Clause 9.3** of this Agreement.
    13. “**Defaulting Contributor**”shall have the meaning as ascribed to such term under **Clause 9.2** of this Agreement.
    14. “**Distribution Proceeds**”shall have the meaning as ascribed to such term under **Clause 10.3** of this Agreement.
    15. “Drawdown” means the Capital Contribution made by a Contributor to the Fund (and realized by the Fund) against its respective Capital Commitment pursuant to the issuance of a Drawdown Notice.
    16. “**Drawdown** **Notice**” means notice under this Agreement (**Exhibit A**),issued by the Investment Manager to the Contributors of the Fund, calling for the making of Capital Contribution from the amount of Capital Commitment not drawn down.
    17. “**Eligible Person**” means a Person who: (i) complies with the know-your-customer (KYC) norms stipulated by the Investment Manager and SEBI, and (ii) is willing to execute necessary documentation as stipulated by the Investment Manager.
    18. “**Excused Contributor**” shall have the meaning ascribed to such term under **Clause 11.1** of this Agreement.

* + 1. “**FATCA Implementation Rules**” shall have the meaning ascribed to such term under **Clause 2.23.1** of this Agreement.
    2. “**Final Closing**” shall have the meaning ascribed to the term under **Clause 2.4.3** of this Agreement.
    3. “**First Closing**” shall have the meaning ascribed to the term under **Clause 2.4.1** of this Agreement.
    4. “**Fund**” means ‘**Asha Ventures Fund I’**, which is the first Scheme of the Trust.
    5. “**Fund Expenses**” shall have the meaning ascribed to the term under **Clause 8.1** of this Agreement.
    6. “**Fund Investments**” or “**Portfolio Investments**” means investments made by the Investment Manager (pursuant to the terms of the Investment Management Agreement) from the Investable Funds on behalf of the Fund in any of the permissible securities/entities including investments in the Portfolio Entities.
    7. “**Government**”means any Indian central, state or local government authority, agency, branch or body or any instrumentality thereof.
    8. “**Grace Period**” shall have the meaning ascribed to the term under **Clause 9.2** of this Agreement.
    9. “**GST**”means goods and services tax.
    10. “**Hurdle Rate of Return**” shall have the meaning ascribed to the term under **Clause 2.25** of this Agreement.
    11. “**Indemnified Persons**” shall have the meaning ascribed to the term under **Clause 15.1** of this Agreement.

* + 1. “**Indenture**” means the indenture of trust dated April 27, 2022, executed by and between the Settlor and the Trustee for creation of the Trust and registered under the provisions of the Registration Act, 1908, as may be further amended, modified or superseded from time to time.

# Annexure A

1. **Name of the Contributor**

«=investor\_kyc.full\_name»

«=investor\_kyc.address».

1. **Amount of Capital Commitment**

The Contributor agrees to contribute an aggregate amount of «=investor\_kyc.money\_custom\_committed\_amo» (Rupees «=investor\_kyc.rupees\_custom\_committed\_am») being their Capital Commitment.

1. **Class of Unit/s**

On making Capital Contribution, the Fund shall issue Class A2 Units to the Contributor in accordance with this Agreement.

1. **Operating Expenses**

At actuals, subject to a limit of 2.0 % p.a. of the aggregate Capital Commitment of the Contributor.

1. **Management Fee**

* During the Commitment Period: 2.0% p.a. of the aggregate Capital Commitment of the respective Class of Units.
* Upon expiry of the Commitment Period: 1.5 % p.a. of the aggregate Capital Contributions of the respective Class of Units *less* the cost of Fund Investments that have been sold, disposed of, written off or otherwise realized. Provided that any such cost of Fund Investments (that have been sold, disposed of or otherwise realized) shall be considered as part of Capital Contributions to the extent the whole or part thereof is utilised towards making reinvestment by the Fund. Accordingly, any such reinvestment shall be considered as part of Fund Investments.

1. **Set-up Expenses**

0.5% of the Corpus.

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Signed and delivered by the Contributor or by the hand of its authorized signatory

1. **ICUL Note**: Cross referencing to be updated and finalized upon finalization of this Agreement. [↑](#footnote-ref-1)