

Wisdom Global Investment Managers LLP

Compliance Manual

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Introduction

Wisdom Global Investment Managers LLP (Wisdom Global) is a SEBI registered Investment Adviser having registration number **INA000016542**.

This Compliance Manual is specifically developed to establish a proper system and control to ensure compliance with applicable securities laws, rules, and regulations. This manual shall govern the activities of Wisdom Global.

The objective is to ensure all employees are aware with the applicable laws, rules and regulations and their conduct shall be in compliance with applicable rules and regulations. The information in this manual is intended to be a guide the activities of Wisdom Global and shall not in any way override the applicable laws, rules and regulations. In case of any inconsistency with the regulation, the regulation shall prevail.

The Compliance Officer shall be responsible for reviewing and updating this manual as necessary to make sure that it is consistent with the recent prevailing regulations. A copy of this manual shall be distributed to all the employees. An annual review of the Manual is to be performed documenting the shortcomings and areas of improvement.

All Employees are expected to be familiar with the policies and procedures set forth in this manual. Employees will be required to read this manual and sign an acknowledgement upon employment with Wisdom Global and are further required to read this manual and sign an acknowledgement on an annual basis that he or she has received, read, understands and agrees to comply with the policies and procedures contained in this manual. Further employees are encouraged to read this manual and in case of any query, they shall write to their supervisor.

The Compliance Officer shall be responsible for conducting training of new and existing employees on current policies and procedures as well as conducting training on any updates or revisions to the existing policies and procedures. Wisdom Global may hire outside compliance consultants to assist in providing training for the same.

Any violation to these policies and procedures may result in disciplinary actions including, but not limited to, a verbal warning, fine, suspension or termination of employment. Disciplinary

actions will be determined by the Compliance Officer in consultation with the Senior Management depending on the severity of the violations.

This Compliance manual is internal to Wisdom Global and the same has not been approved by the Securities and Exchange Board of India or any other regulatory authority.

Definitions

“Compliance Officer” shall be the one who has sufficient knowledge of the applicable laws, rules and regulations and who shall be responsible for monitoring the compliance by the investment adviser in respect of the requirements of the Act, regulations, notifications, guidelines, instructions issued by the Securities and Exchange Board of India.

“Consideration” means any form of economic benefit including non-cash benefit, received or receivable for providing investment advice;

“Financial planning” shall include analysis of clients’ current financial situation, identification of their financial goals, and developing and recommending financial strategies to realise such goals;

“Firm” shall mean Wisdom Global Investment Managers LLP;

“Investment advice” means advice relating to investing in, purchasing, selling or otherwise dealing in securities or investment products, and advice on investment portfolio containing securities or investment products, whether written, oral or through any other means of communication for the benefit of the client and shall include financial planning;

Provided that investment advice given through newspaper, magazines, any electronic or broadcasting or telecommunications medium, which is widely available to the public shall not be considered as investment advice for the purpose of these regulations;

“Investment adviser” means any person, who for consideration, is engaged in the business of providing investment advice to clients or other persons or group of persons and includes any person who holds out himself as an investment adviser, by whatever name called;

“**NISM**” means the National Institute of Securities Market established by the Board;

“**RIA**” or “registered investment adviser” refers to a legal entity registered as an investment adviser.

“**Representative**” means an employee or an agent of an investment adviser who renders investment advice on behalf of that investment adviser.

“**SEBI**” shall mean Securities and Exchange Board of India

The words and expressions used and not defined here but defined in any other act, rules or regulations made thereunder shall have the same meanings respectively assigned to them in those Acts, rules or regulations made thereunder or any statutory modification or re-enactment thereto, as the case may be.

Code of Ethics

This Code of Ethics will set forth standards of conduct expected from all employees. This Code of Ethics is designed to act with integrity, competence, diligence, and respect and in an ethical manner with the public, clients, prospective clients, employers, colleagues in the investment profession, and other participants in the capital markets.

The code provides that an employee shall:

- Place the integrity and interests of clients above their own personal interests;
- Use reasonable care and exercise independent professional judgment when conducting investment analysis, making investment recommendations, taking investment actions;
- Practice and encourage others to practice in an ethical manner;
- Promote the integrity and viability of the capital markets;
- Ensure to maintain Client Confidentiality;
- Ensure Independence and Objectivity in advising the client

Scope of the Code

This Code of Ethics covers a wide range of business practices and procedures and applies to all personnel in their conduct of the business. Failure to comply with this Code of Ethics may result in disciplinary action, including termination of positions.

All of personnel will conduct business in an honest, ethical, and fair manner.

Full disclosure of all material facts and potential conflicts of interest will be provided to clients prior to any services being conducted.

When communicating investment performance, it must make sure that the information is fair, accurate and complete and must also make a disclosure that past performance does not guarantee future results.

Wisdom Global shall ensure that its personnel shall not engage in any dishonest or unethical conduct including, but not limited to:

- Engaging in any act, practice, or course of business that is fraudulent, deceptive, or manipulative contrary to any rules or regulations established by all governing regulatory bodies.
- Recommending to a client the purchase, sale, or exchange of any security without reasonable grounds for believing that the recommendation is suitable for the client based on the information furnished by the client after reasonable inquiry regarding the client's investment objectives, financial situation and needs, and other information that is known by the investment adviser.
- Recommending to trade in excessive of size or frequency with respect to the client's financial resources, investment objectives, and the character of the account.
- Placing an order to purchase or sell a security on behalf of a client.
- Borrowing money or securities from or loaning money or securities to a client.
- Misrepresenting the qualifications of its adviser representatives or any of its employee.
- Omitting from any written or verbal communication a material fact that would make statements regarding qualifications, services, or fees misleading.
- Providing advice and guaranteeing the client that a gain or no loss will occur as a result of the advice.
- Providing reports or recommendations to any advisory client prepared by someone else without disclosing that fact to clients.
- Investment Adviser shall not have more than 150 active clients at any point of time until it registers itself with SEBI as a non-individual Investment Adviser.
- Charging fees that are unreasonable relative to the types of services provided.
- Charging of fees more than as specified by the SEBI i.e. Rs.1,25,000 per annum per client across all services offered by Investment Adviser.

- Rendering investment advice or charging any fee prior to the execution of advisory agreement and providing copy of signed agreement to the client.
- Failing to disclose material conflicts of interest in relation to the adviser or any of its personnel in writing if such information could reasonably cause the advice to be biased and not objective.

Some examples of failure to disclose material conflict include the following:

- Existing compensation arrangements connected with advisory services provided to clients that are in addition to compensation received from clients for the advisory services.
- Acting in the capacity as an investment adviser, representative, distributor or insurance agent on a transaction where a fee can be charged for advisory services and a commission can be charged for implementing a trade as a result of the advice provided.
- Publishing, circulating, or distributing any advertisement that has not been approved and that does not comply with the proper regulatory requirements.
- Disclosing any confidential information of any client, unless required by law to do so or having received written authorization from the client to do so.
- Failing to provide the proper disclosure documents.

Duties of Compliance Officer

In terms of SEBI (Investment Advisers) regulation 2013, An investment adviser which is a body corporate or a partnership firm shall appoint a compliance officer who shall be responsible for monitoring the compliance by the investment adviser in respect of the requirements of the Act, regulations, notifications, guidelines, instructions issued by the Board.

The Compliance Officer has full responsibility and authority to develop and enforce appropriate compliance policies and procedures. The Compliance Officer has overseen the preparation and updating of the written policies and procedures contained in this Manual.

Specific responsibilities and duties of the Compliance Officer shall include, but are not necessarily limited to the following:

- Reviewing the Firms compliance policies and procedures at least annually (including any compliance matters that arose during the previous year) to determine the adequacy and effectiveness of the policies and procedures;
- Conducting interim reviews in response to significant compliance events, changes in business arrangements and regulatory developments;
- Preparing and updating, at least annually, written policies and procedures on behalf of the Firm;
- Conducting compliance training for new and existing employees;
- Drafting policies and procedures to document the monitoring and testing of compliance through internal audits;
- Implementation of any policies needed to ensure that training and internal assessment procedures are updated to reflect changes in applicable laws, regulations, and administrative positions;
- Follow up and resolve any reported breach of Firm's policy and procedure;
- Resolve Client grievances and take suitable action;
- Reporting to regulatory authority as and when required;

- Co-ordinating with various departments in organisation to ensure compliance in true letter and spirit.
- Ensuring that Firm is in all time in Compliance with all the applicable Regulations.

If the Compliance Officer is unable to perform certain supervisory or approval obligations, he/she may delegate such responsibilities to another person upon written permission from the Senior Management, so long as the person is qualified and capable to handle.

Compliance Consultant-Third Party

The Firm may retain third party consultants to assist in submitting all appropriate filings on the Firm's behalf to SEBI and for representation before regulatory authority on behalf of Firm. The Compliance Officer shall obtain confirmation from the outside consultant before appointing them.

Fiduciary Duty

An investment adviser has a fiduciary duty to its advisory clients, as a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts.

An investment adviser has a duty of utmost good faith to act solely in the best interest of each of its clients.

Further, an Investment Adviser shall abide by the provisions of the Act and the Regulations and shall ensure that:

- (1) It discloses all conflicts of interests as and when they arise.
- (2) It shall not receive any consideration by way of remuneration or compensation or in any other form from any person other than the client being advised, in respect of the underlying products or securities for which advice is provided.
- (3) It shall maintain an arms-length relationship between its activities as an investment adviser and other activities.
- (4) Its investment advisory services are clearly segregated from all its other activities, in the manner as prescribed hereunder, if it is also engaged in activities other than investment advisory services.
- (5) In case of any conflict of interest of the investment advisory activities with other activities, such conflict of interest shall be disclosed to the client.
- (6) It shall not divulge any confidential information about its client, which has come to its knowledge, without taking prior permission of its clients, except where such disclosures are required to be made in compliance with any law for the time being in force.
- (7) It shall not enter into transactions on its own account which is contrary to its advice given to clients for a period of fifteen days from the day of such advice.

Provided that during the period of such fifteen days, if the investment adviser is of the opinion that the situation has changed, then it may enter into such a transaction on its own account after giving such revised assessment to the client at least 24 hours in advance of entering into such transaction.

- (8) It shall follow Know Your Client procedure as specified by the Board from time to time.
- (9) It shall abide by Code of Conduct as specified in Third Schedule.
- (10) It shall not act on its own account, knowingly to sell securities or investment products to or purchase securities or investment product from a client.
- (11) In case of change in control of the investment adviser, prior approval from the Board shall be taken.
- (12) It shall furnish to the Board information and reports as may be specified by the Board from time to time.
- (13) It shall be the responsibility of the Investment Adviser to ensure that its representatives and partners, as applicable, comply with the certification and qualification requirements under Regulation 7 at all times.

Annual Compliance Audit

In terms of regulation 19(3) an investment adviser shall conduct yearly audit in respect of compliance with these regulations from a member of Institute of Chartered Accountants of India or Institute of Company Secretaries of India.

Liability for action in case of default under SEBI (Investment Adviser) regulations, 2013

An investment adviser who -

- (a) contravenes any of the provisions of the Act or any regulations or circulars issued thereunder;
- (b) fails to furnish any information relating to its activity as an investment adviser as required by the Board;
- (c) furnishes to the Board information which is false or misleading in any material particular;
- (d) does not submit periodic returns or reports as required by the Board;
- (e) does not co-operate in any enquiry, inspection or investigation conducted by the Board;

(f) fails to resolve the complaints of investors or fails to give a satisfactory reply to the Board in this behalf,

shall be dealt with in the manner provided under the Securities and Exchange Board of India (Intermediaries) Regulations, 2008.

Risk Assessment

Risk Assessment is a process to evaluate the optimum level of investment risk a person is willing to take. It takes into account multiple factors to assess the client's risk which he/she is willing to take. Carrying out Risk profiling of the client is essential to provide advice on suitable product.

As per the Regulations and Orders passed by the SEBI related to Investment Advisers, an Investment Adviser shall carry out risk profiling prior to charging fees from the client and shall not advise the clients without assessing his/her risk; and shall also keep in mind the following things related to Risk Profiling that:

- ✓ it obtains from the client, such information as is necessary for the purpose of giving investment advice.
- ✓ Client responses to the questions are interpreted appropriately and inappropriate weights are not assigned to certain answers.
- ✓ The tools used for Risk Profiling should be fit for the purpose and any limitations shall be identified and mitigated.
- ✓ questions or description used in any questionnaires are fair, clear and not misleading to establish the risk a client is willing and able to take.
- ✓ questionnaire is not vague or used in double negatives or in a complex language that the client may not understand.
- ✓ questionnaire is not structured in a way that it contains leading questions.
- ✓ risk profile of the client is communicated to the client after risk assessment is done.
- ✓ information provided by clients and their risk assessment is updated periodically.
- ✓ All investments on which investment advice is provided is appropriate to the risk profile of the client.

Following information must be obtained from the clients for carrying out Risk Profiling:

- Age
- Investment Objectives
- Time frame for which they wish to stay invested
- Purpose of investment
- Income details
- Existing Investment/Assets
- Risk Appetite/tolerance
- Liability/borrowing details
- Client's capacity for absorbing loss
- Whether client is unwilling or unable to accept the risk of loss of capital

Further, as per the Circular issued by SEBI dated 27th December, 2019 titled "Measures to strengthen the conduct of Investment Advisers (IA)" stated that:

- a. Investment Adviser shall complete the risk profile of the client based on information provided by the client; and
- b. Investment Adviser shall obtain consent of the client on completed risk profile either through registered email or physical document.

Investment Adviser while providing investment advice must understand the nature and risks of products or assets selected for clients and shall have reasonable basis for believing that a recommendation or transaction entered into meets the client's investment objectives. Further, recommendation should be such on which client is able to bear any related investment risks consistent with its investment objectives and risk tolerance and has the necessary experience and knowledge to understand the risks involved in the transaction.

Further, Investment Adviser shall ensure that whenever a recommendation is given to a client to purchase of a particular complex financial product, such recommendation or advice is based upon a reasonable assessment that the structure and risk reward profile of financial product is consistent with clients experience, knowledge, investment objectives, risk appetite and capacity for absorbing loss.

Client Communication

An Investment Adviser shall be very caution while communicating with clients, it shall not make any false statement without reasonable ground for believing it to be true as mandated in SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 (hereinafter referred to as “PFUTP Regulations”). Further, Investment Adviser must maintain record of every communication with client including prospective clients and shall keep on taking backups of correspondences with the clients.

Investment Adviser shall communicate the risk assessment of the client and shall take his/her consent on that either via mail or through a physical document. Further the advice provided to the clients whether orally or written shall be stored for a period of 5 years.

Further, all the communication with the clients shall be through the following mail ids only:

1. tejas@wisdomglobal.in
2. contactus@wisdomglobal.in
- 3.

No employee shall communicate with client from his/her personal mail id. Further, when the employee is terminated or he resigns, then he shall communicate to the client that he is now no longer associated with the Firm.

An investment adviser shall make adequate disclosures of relevant material information while dealing with its clients. Further, an investment adviser shall not divulge any confidential information about its client, which has come to its knowledge, without taking prior permission of its clients, except where such disclosures are required to be made in compliance with any law for the time being in force.

Further, in order to protect the interest of investors and bring more transparency in the functioning of investment advisers, Investment Advisers shall display the following information prominently on its website and other communication channels such as: mobile app,

printed or electronic materials, know your client forms, client agreements and other correspondences with the clients:

- Complete name of Investment Adviser as registered with SEBI,
- Type of Registration-Individual, Non-Individual,
- Registration number, validity of registration,
- Complete address with telephone numbers,
- Contact details of the Principal Officer –contact no, email id etc.,
- Corresponding SEBI regional/local office address.

Know Your Client

An investment advisor shall follow Know Your Client procedure as specified by the SEBI from time to time and shall maintain Know Your Client records of the client for the period of 5 years.

Further an Investment Adviser shall not provide advice to the client who is not KYC compliant. Before taking client on board, an Investment Adviser shall check that client is not subjected to sanction measures such as freezing of assets/accounts, denial of financial services etc., as approved by the Security Council Committee established pursuant to various United Nations' Security Council Resolutions. These can be checked on the below mentioned links:

- http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml and

- <http://www.un.org/sc/committees/1988/list.shtml>

Further, Investment Adviser may fetch client's KYC records from Central KYC Registry or from any of the KRA's registered with SEBI. The following companies are the registered KRAs with SEBI:

- CSDL Ventures Limited
- DotEx International Limited
- Karvy Data Management Services Limited
- NDML (NSDL Database Management Limited)
- CAMS Investor Services Private Limited

If KYC of a client is not available with any of the KRA agency, then Investment Adviser may get filled from client the KYC form along-with self-certified Identity and address proof and upload it on any of the KRA's database. This is done to ensure that the process of verification does not have to be repeated when the client approaches an intermediary for investment.

Disclosures

In order to make transparency and protect the interest of the investors, an Investment Adviser shall make following disclosures to its clients:

1. Disclosure of Material Information:

Investment Adviser shall disclose to a prospective client, all material information about itself including:

- a. Business,
- b. Disciplinary history,
- c. Terms and conditions on which it offers advisory services,
- d. Affiliations with other intermediaries and
- e. Such other information as is necessary to take an informed decision.

2. Disclosure regarding consideration:

Investment Adviser shall disclose to its client, any consideration by way of remuneration or compensation, received (directly or indirectly) for any distribution / execution services in respect of products / securities for which investment advice is provided.

As an Investment Adviser can receive fees for its advisory services only.

3. Disclosure while recommending service of other intermediary:

Investment Adviser shall, before recommending services of stock broker / other intermediary to a client, disclose any consideration by way of remuneration / compensation, if any, received by Investment Adviser, if the client desires to avail the services of such intermediary.

4. Disclosure about its holding:

Investment Adviser shall disclose to the client its holding or position, if any, in the financial products or securities which are subject matter of advice.

5. Disclosure regarding conflict of interest:

Investment Adviser shall disclose to the client any actual or potential conflicts of interest arising from any connection to or association with any issuer of products/securities, including any material information or facts that might compromise its objectivity or independence in the carrying on of investment advisory services.

6. Disclosure regarding products/securities

Investment Adviser shall, while making an investment advice, make adequate disclosure to the client of all material facts relating to the key features of products / securities, including performance track record.

7. Disclosure related to warning/disclaimer

Investment Adviser shall draw the client's attention to the warnings, disclaimers in documents, advertising materials relating to an investment product which it is recommending to the client.

Code of Conduct

An investment adviser shall abide by Code of Conduct as specified in Third Schedule of the SEBI (Investment Advisers) Regulations, 2013. In order to maintain fiduciary relationship with the clients, one of the essential elements is to strictly adhere to the Code of Conduct for an investment adviser prescribed under the Regulations.

Code of Conduct for Investment Advisers

Sr. No.	Features	Particulars
1.	Honesty & fairness	Investment Adviser shall act honestly, fairly and in the best interests of its clients and in the integrity of the market.
2.	Diligence	Investment Adviser shall act with due skill, care and diligence in the best interests of its clients and shall ensure that its advice is offered after thorough analysis and taking into account available alternatives.
3.	Capabilities	Investment Adviser shall have and employ effectively appropriate resources and procedures which are needed for the efficient performance of its business activities.
4.	Information about clients	Investment Adviser shall seek from its clients, information about their financial situation, investment experience & investment objectives relevant to the services to be provided and maintain confidentiality.
5.	Information to its clients	Investment Adviser shall make adequate disclosures of relevant material information while dealing with its clients.
6.	Fair & reasonable charges	Investment Adviser advising a client may charge fees, subject to any ceiling as may be specified by the Board, if any. Investment Adviser shall ensure that fees charged to the clients are fair and reasonable.
7.	Conflicts of interest	Investment Adviser shall try to avoid conflicts of interest as far as possible and when they cannot be avoided, it shall ensure that

		appropriate disclosures are made to the clients and that the clients are fairly treated.
8.	Compliance	Investment Adviser including its representative(s) shall comply with all regulatory requirements applicable to conduct of its business activities so as to promote the best interests of clients and integrity of market.
9.	Responsibility of senior management	Senior Management of a body corporate which is registered as Investment Adviser shall bear primary responsibility for ensuring the maintenance of appropriate standards of conduct and adherence to proper procedures by the body corporate.

Maintenance and Retention of Records

An Investment Adviser shall at all times maintain the following records:

- (a) Know Your Client records of the client;
- (b) Risk profiling and risk assessment of the client;
- (c) Suitability assessment of the advice being provided;
- (d) Copies of agreements with clients, incorporating the terms and conditions as specified by the SEBI in the circular dated 23rd September, 2020 titled “Guidelines for Investment Advisers”;
- (e) Investment advice provided, whether written or oral;
- (f) Rationale for arriving at investment advice, duly signed and dated;
- (g) A register or record containing the following:
 - list of the clients;
 - the date of advice;
 - nature of the advice;
 - the products/securities in which advice was rendered; and
 - fee, if any charged for such advice.

Further, all the above-mentioned records shall be maintained either electronically or in a physical form. If records are of such nature, which requires signature and are maintained electronically, then such records shall be signed digitally.

These all records shall be preserved for a minimum period of five years.

Further, an Investment Adviser shall also maintain register of Complaint, mentioning name of the client who has made complaint, date on which complaint was made, nature of complaint, subject matter of complaint, its resolution and date of resolution of complaint. These register becomes helpful when SEBI comes for an Inspection or calls an Investment Adviser in its Office.

Insider Trading

Improper use of inside information is a serious violation of securities laws and shall not be tolerated. Any person having access to material non-public information shall not trade on the basis of such information and also cause others to act on the information.

The Compliance Officer shall be responsible for establishing, implementing, monitoring and enforcing all policies and procedures regarding insider trading. If any employee is unsure whether information could violate policies and procedures on insider trading or has questions on any aspect of policies and procedures on insider trading, questions should be directed to the Compliance Officer prior to implementing any trades.

The prohibition on the use of inside information extends to family members, associates and acquaintances of the person coming into possession of such information. Any time a employee suspects that a client or another employee is trading based on inside information or determines that they have received material non-public information, it must be reported to the Compliance Officer immediately.

No recommendations will be made in relation to any securities of which the advisor is in possession of material non-public information unless the same gets updated in public domain.

No one shall engage in practices that distort prices or artificially inflate trading volumes with the intention to manipulate the market.

The Compliance Officer is responsible for supervising all employees engaged in advisory business and is responsible for restricting, as much as possible, the number of employees having access to any inside information. Information must be shared on a need to know basis.

The Compliance Officer shall maintain a list of employees who are in possession of material non-public information and shall closely watch there trading activity to ensure that they are not in a violation.

Further the Compliance Officer on a regular basis ensure that its policies are in compliance with the applicable insider trading regulations.

Reporting to Regulatory Authority

Investment Adviser has to mandatorily carry out Compliance Audit with respect to compliance of the SEBI Regulations within 6 months from the end of the Financial Year.

Further, as per the SEBI Investment Advisers Amendment Regulations, 2020, post completion of the said audit, Investment Adviser must report the adverse findings along with action taken thereof to SEBI within a period of one month from the date of the audit report i.e. not later than October 31st of each year for the previous financial year.

An Investment Adviser is also required to update information on SEBI Intermediary Portal as in when required. Further, it has to mandatory file compliance report on quarterly basis and Risk based supervision report on half-yearly basis.

As per the SEBI (Investment Advisers) Regulations, 2013, the investment adviser shall forthwith inform the SEBI in writing, the following information:

- a. if any information or particulars previously submitted to the SEBI are found to be false or misleading in any material particular; or
- b. if there is any material change in the information already submitted;

Further, Investment advisers shall furnish to the Board information and reports as may be specified by the Board from time to time.

As per the Prevention of Money Laundering Act, 2002 and its Rules thereunder, an Investment Adviser shall also report specified cash transactions and suspicious transactions to the Director, Financial Intelligence Unit-India (FIU-IND). Additionally, as per CFT norms, details of individuals/ entities that match UN Sanctions lists shall be immediately reported to FIU-IND and RBI.

Further, it shall be the duty of every investment adviser in respect of whom an inspection has been ordered under the regulation 23 and any other associate person who is in possession of relevant information pertaining to conduct and affairs of such investment adviser, including

representative of investment adviser, if any, to produce to the inspecting authority such books, accounts and other documents in his custody or control and furnish him with such statements and information as the inspecting authority may require for the purposes of inspection.

Further, if an Investment Adviser fails to furnish any information relating to its activity as an investment adviser as required by the SEBI; or furnishes to the SEBI information which is false or misleading in any material particular; then in that case it shall be liable for action in case of default and shall be dealt with in the manner provided under the Securities and Exchange Board of India (Intermediaries) Regulations, 2008.

Due Diligence

The Compliance Officer shall be responsible for conducting and documenting initial and annual due diligence.

The Compliance Officer shall conduct an appropriate background review of all employees who are involved in advising the client and who have the access to material non-public information.

Due diligence at client level shall include confirming the identity of the client, whether the client is KYC compliant or not?

Due diligence of the system and CRM used in day to day working shall be done to ensure its security and confidentiality of data.

The purpose of the background and due diligence review conducted is to identify the existence of customer complaints, regulatory actions, or any other relevant material

Guidelines for Conducting Due Diligence of Third-Party

Before entering into an agreement with a third-party, the Firm shall perform due diligence of the third party. The degree of due diligence performed by the Firm may vary based on the perceived risk of the third party. In performing due diligence, the Compliance Officer may ask for copies of, or get a written explanation of, the following items related to the third party:

Basic Firm Information – Brief history, structure, size, lines of business, registrations, turnover, etc.

Compliance System – Is the third-party compliance system computerized or manual? How adequate is the compliance system and how frequently is it reviewed?

Internal Policies, Procedures, and Guidelines – The third-party policies and procedures that would affect the relationship with the Firm.

Copies of Regulatory Correspondence – All correspondence for the last five years with the SEBI or other regulatory authorities pertaining to compliance inspections or Audit, any actual, potential, or alleged regulatory violations.

Summary of Material Legal Threats – Inquiries, investigations, or actions from the last five years, any order pending with regulatory authority or legal dispute.

Data backup and recovery

Wisdom Global shall maintain its record in Hard and Soft copy.

Further a complete back up of all records need to be maintained for at least 5 years. Compliance Officer is responsible for the maintenance of these back-up books and records.

The following documents and records of clients shall be maintained

- Risk Profiling and risk assessment of client
- Suitability report
- Know your client record of the client
- Copies of Agreement with client
- Investment advice provided, whether written or oral
- Invoices
- Correspondence with clients
- Register of client containing the date of advice, nature of the advice, the products/securities in which advice was rendered and fee
- Rationale of Investment Advice, duly signed and dated

Further on an annual basis Wisdom Global shall review its Data Backup system including response and recovery. It should have proper system to deal with any data recovery in case a need arises.

Social Networking Policy

Any website, webpage or other platform that allows for interactive electronic communications is considered social media, regardless of whether such website is known as a social media or social networking site.

Social networking sites, when used for business purposes need proper compliance oversight.

Employees are prohibited from using social media to conduct business unless they obtain the prior written approval from Compliance Officer

Advisors and their representative shall not use social media for making investment recommendations or otherwise rendering investment advice under the same has been approved by the Compliance Officer.

Wisdom Global shall adopt policies and procedures reasonably designed to ensure that its employees who use social media for business purposes are appropriately supervised, and have the necessary training and background to engage in such activities. Employees approved to use social media will receive adequate training on the policies and procedures regarding interactive electronic communications before engaging in such communications

When using social media for personal uses, you may:

- Include Wisdom Global name and position as approved on your business card.
- Include firm's contact information as approved on your business card

When using social media for personal uses, you cannot:

- Use any of the logos or trademarks of the Wisdom Global
- Communicate with any current or prospective clients relative to business-related matters.
- Discuss on securities which are subject matter of advice.
- Engage in discuss with any of the firm's competitors, clients or vendors

- Outline or promote products or services offered by the Wisdom Global, either in general or specific terms.

All Employees are prohibited from engaging in business communications using a social media site and only those employees who have received appropriate training on Wisdom Global policies and procedures regarding interactive electronic communications may engage in such communications.

When using social media for business you must use only the approved Wisdom Global email and contact information, and you must:

- Comply with principles of Loyalty, prudence and care in dealing with the public;
- Refrain from making false, exaggerated, or misleading statements
- Make only statements that have a sound basis in fact;
- Presentation of data and information should be clear and does not misrepresent

Blog Writing

A “blog” is generally defined as a website that contains an online personal journal with reflections, comments, and often hyperlinks provided by the writer. If an Employee wishes to sponsor a blog or similar website, he must obtain prior approval from the Compliance Officer before every post.

Proper Registration and License

To qualify as an investment adviser the Firm shall comply with the applicable SEBI regulations. Further the persons associated with investment advice shall also comply with the qualification requirement as stated in the regulation and are required to pass the NISM exam:

NISM-Series-X-A: Investment Adviser (Level 1) Certification Examination

NISM-Series-X-B: Investment Adviser (Level 2) Certification Examination

The Investment Adviser shall ensure its persons associated with investment advice comply with the Qualification and Certification requirements. Further, Investment Adviser shall comply with Capital Adequacy as provided in the regulation.

“persons associated with investment advice” shall mean any member, partner, officer, director or employee or any sales staff of such investment adviser including any person occupying a similar status or performing a similar function irrespective of the nature of association with the investment adviser who is engaged in providing investment advisory services to the clients of the investment adviser;

Explanation. — All client-facing persons such as sales staff, service relationship managers, client relationship managers, etc., by whatever name called shall be deemed to be persons associated with investment advice, but do not include persons who discharge clerical or office administrative functions where there is no client interface.

Further, Investment Adviser shall pay Registration fee in every five years, from the date of grant of certificate of registration, within three months before expiry of the period for which fee has been paid to keep its Registration in force.

Redressal of client grievances

An investment adviser shall have adequate procedure for expeditious grievance redressal and shall redress client grievances promptly but not later than 30 days of receipt thereof. But when called upon by the SEBI to do so it shall redress the grievances of investors within the time specified by the SEBI.

Client grievances pertaining to financial products in which investments have been made based on investment advice, shall fall within the purview of the regulator of such financial product.

Further, any dispute between the investment adviser and his client may be resolved through arbitration or through Ombudsman authorized or appointed for the purpose by any regulatory authority, as applicable.

Investment Adviser shall also prominently display the name and contact details of the Compliance Officer to whom complaint may be made in the event of any investor grievance. Further, the Investment Adviser shall maintain records regarding investor grievances received by it and redressal of such grievances. It shall have register of Complaint, mentioning name of the client who has made complaint, date on which complaint was made, nature of complaint, subject matter of complaint, its resolution and date of resolution of complaint.

Further, as per the SEBI Circular CIR/OIAE/2014 dated December 18, 2014 regarding redressal of Investor grievances received through SCORES, in which it was stated that SEBI registered intermediaries shall review their investor's grievances redressal mechanism so as to further strengthen it and correct the existing shortcomings, if any. The SEBI registered intermediaries to whom complaints are forwarded through SCORES, shall take immediate efforts on receipt of a complaint, for its resolution, within thirty days. The SEBI registered intermediaries shall keep the complainant duly informed of the action taken thereon.

In this regard, an Investment Adviser shall regularly check the SCORES Portal, preferably on weekly basis and shall take screenshot of the same for its records.

Informal Guidance

SEBI has introduced an Informal Guidance Scheme, through which any intermediary can sought Informal Guidance from SEBI to understand the position of the law or where it has any query relating to the Applicable Act and Regulations or related to its interpretation.

SEBI shall respond to it as early as possible as and in any case not later than 60 days after the receipt of the request. The Department may give a hearing or conduct an interview if it feels necessary to do so. The requestor is only entitled to the reply. The internal records or views of SEBI remains confidential.

A request for seeking Informal Guidance shall be made to the concerned department of SEBI with proper description along-with the fees of Rs.25,000. In request for Informal Guidance, it shall describe the request, disclose and analyse all material facts and circumstances involved and mention all applicable legal provisions.

Further, the letter issued by a Department under this scheme should not be construed as a conclusive decision or determination of any question of law or fact by SEBI.

Acknowledgement

I hereby acknowledges that I have read and understood the policies and procedures contained in the Compliance Manual and I hereby agrees to abide by these manual policies and procedures, including any future amendments.



Signature_____

Employee Id_____

Date & Place: 03/02/2022