

Annexure B

Business Rules:

11.7 CONVERSION OF MUTUAL FUND/ ALTERNATIVE INVESTMENT FUND (AIF) UNITS REPRESENTED BY STATEMENT OF ACCOUNT INTO DEMATERIALIZED FORM THROUGH A PARTICIPANT

11.7.1 Every Client desirous of converting mutual fund/AIF units represented by Statement of Account into dematerialised form through a Participant shall submit to the Participant the Conversion Request Form along with the Statement of Account evidencing the holding of mutual fund/AIF units. The specimen of Conversion Request Form is given in Form 2.

11.7.2 The Client submitting the Conversion Request Form shall declare to the Participant that the units sought to be held in dematerialised form are in the name of the client itself and are not already dematerialised and no certificates are issued against these units.

11.7.3 The Participant shall first ensure that the mutual fund/AIF units submitted by its Client for conversion belong to the list of securities admitted by the Depository as eligible to be held in dematerialised form.

11.7.4 The Participant shall ensure that the Conversion Request Form submitted by its Client is completely filled and duly signed.

11.7.5 The Participant shall verify the name and the pattern of holding of the Client's account with the name and the pattern of holdings as mentioned on the Statement of Account and Conversion Request Form.

11.7.6 The Participant shall intimate the Conversion Request to the Depository within five days from the date of accepting the same from its Client by initiating the request in the DPM system.

11.7.7 Upon receipt of electronic conversion request from the Depository, the Issuer or its Registrar and Transfer Agent shall after due verification including the verification of signature of Clients from the DPM (SHR) system with their records, confirm the conversion request to the Depository for credit of the units into the account of the Client within two days from the date of receipt of request.

11.7.8 In case any objection memo has been received for such units from the Issuer or its Registrar and Transfer Agent, the Participant shall facilitate the correction of such objections in a timely basis.

11.7.9. In case of conversion of Alternative Investment Fund (AIF) units represented by Statement of Account (SoA) into dematerialized form, clients may also submit the request to the Alternative Investment Fund (AIF) / Investment Manager (IM) / Registrar and Transfer Agent (RTA).

11.7.10 The AIF shall verify the name and the pattern of holding of the Client's account with the name and the pattern of holdings as mentioned on the Statement of Account.

11.7.11 After verification of requests, AIF/IM/RTA shall credit the units through corporate action to the demat account of the unit holder(s).