



Wealthstreet
The Financial Engineers

Outsourcing Policy

I. Introduction:

Wealthstreet Financial Services (“the Company”) is a registered financial intermediary with the Securities and Exchange Board of India (SEBI). As per SEBI Circular CIR/MIRSD/24/2011 dated December 15, 2011, regarding Guidelines on Outsourcing of Activities by Intermediaries, all registered intermediaries must have a comprehensive policy that outlines the appropriate assessment, approval, and execution of outsourcing activities. This policy is designed to guide the Company in managing outsourced functions in accordance with regulatory standards while ensuring robust governance and oversight.

Outsourcing refers to the practice of engaging third-party vendors—both within and outside the Wealthstreet group—to perform services or activities that are integral to the Company’s operations. This policy provides clear guidelines for selecting, monitoring, and managing such relationships to maintain operational excellence and compliance.

II. Activities That Cannot Be Outsourced:

Wealthstreet shall not outsource any critical activities that could undermine the Board’s ability to oversee and supervise the Company's operations. The following core functions shall remain in-house and are prohibited from being outsourced:

- **Client Onboarding and KYC Processes**
 - **Trading and Settlement Functions**
 - **Risk Management and Compliance**
 - **Monitoring and Redressal of Investor Grievances**
 - **Internal Audit and Regulatory Reporting**
 - **Management of Proprietary Data and Sensitive Information**
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III. Selection of an Outsourced Partner:

1. **Due Diligence:**

The Company shall conduct a thorough due diligence process to evaluate potential third-party vendors. The assessment will include, but not be limited to, the following aspects:

- Financial stability and ability to meet service delivery timelines.

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Formerly Known as Wealthstreet Advisors Private Limited

CIN: U74999GJ2016PTC094432

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- Compatibility of the vendor's practices and systems with Wealthstreet's operational needs and regulatory requirements.
 - Market reputation, including feedback from previous clients and track record of service quality.
 - Avoidance of vendor concentration risks, ensuring a diversified approach to outsourcing.
 - The vendor's Business Continuity and Disaster Recovery Plan to ensure uninterrupted service.
2. **Vendor Sub-Contracting:**
Vendors will not be permitted to sub-contract or further outsource their responsibilities without prior written approval from Wealthstreet. Any sub-contracting will be subject to a fresh due diligence process.
3. **Approval Authority:**
The **Chief Financial Officer (CFO)** of Wealthstreet shall be the authorized signatory to approve all outsourcing arrangements in line with this policy.
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IV. Outsourcing to Group Companies:

Wealthstreet may choose to outsource certain activities to its affiliated group companies. However, in such cases, the following conditions must be met:

- An arm's length relationship must be maintained between the Company and the group company, particularly in terms of decision-making, record-keeping, and manpower allocation.
 - Adequate disclosures regarding the outsourcing arrangement to group entities will be included in the outsourcing agreements to avoid potential conflicts of interest.
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V. Outsourcing Contracts:

1. **Contractual Arrangements:**
All outsourcing relationships must be governed by formal, written agreements that clearly outline the terms and conditions, including roles, responsibilities, service levels, and expectations of all parties involved. The contract shall also detail the process for termination and dispute resolution.
2. **Regulatory Compliance:**
Outsourcing contracts must include provisions required by the SEBI Circular and ensure that the Company's ability to supervise its operations, including regulatory inspections, is not compromised.

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3. **Continuous Oversight:**

Contracts must not impair the Company's ability or the auditor's ability to carry out oversight duties or regulatory reviews.

VI. Confidentiality and Data Protection:

1. **Client Data Protection:**

Wealthstreet is committed to maintaining the confidentiality of its clients' proprietary information and will take all necessary steps to protect this data from misuse, unauthorized access, or disclosure. All third-party vendors must ensure that their employees have limited access to client data and that it is only accessible on a "need to know" basis.

2. **Vendor Security Standards:**

If the third-party vendor is managing or processing data for multiple clients, Wealthstreet will ensure that the vendor has adequate safeguards in place to ensure data security and confidentiality, especially when dealing with sensitive financial information.

VII. Maintenance of Records:

Wealthstreet will maintain comprehensive records of all outsourced activities to ensure easy access for review and auditing by the Company's Board of Directors, senior management, and regulators. These records will be readily available as needed for compliance and operational assessments.

VIII. Policy Review:

The **Outsourcing Policy** will be reviewed and updated annually by the Board of Directors of Wealthstreet. The Company will also conduct periodic reviews of its outsourced partners, focusing on their financial stability, operational capabilities, and ability to meet the Company's outsourcing obligations. Any material changes to the outsourcing landscape will be incorporated into the policy as needed.

This policy ensures that all outsourcing activities at Wealthstreet are conducted in a manner that supports effective business operations, complies with regulatory requirements, and safeguards the interests of clients and stakeholders.

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