

East Green Advisors - Fee Illustration

Fixed Fee Only Plan

Assumptions						
Capital contribution (INR)	A	5,000,000				
Fixed fee (%age per annum)	B	1.75%				
Brokerage, custodian charges & other incidentals (%age per annum)	C	0.25%				
Performance fee (%age per annum)	D	0%				
Hurdle rate of return (%age per annum)	E	0%				
			Year 1	Year 2	Year 3	Year 4
Gross portfolio return (%) scenarios	F		9.0%	-4%	15.0%	48.0%
					Year 5	21.0%

Fee Calculation						
		1	2	3	4	5
Portfolio value at year start	G	5,000,000	5,345,500	5,026,908	5,672,866	8,255,154
Gross portfolio return (%)	H = F	9.0%	-4.0%	15.0%	48.0%	21.0%
Gain / Loss in the year based on scenario	I = G * H	450,000	-213,820	754,036	2,722,976	1,733,582
Gross portfolio value at year end (pre fee and charges)	J = G + I	5,450,000	5,131,680	5,780,944	8,395,842	9,988,737
Average gross portfolio value through the year	K = (G + J) / 2	5,225,000	5,238,590	5,403,926	7,034,354	9,121,946
Brokerage, custodian charges & other incidentals	L = K * C	13,063	13,096	13,510	17,586	22,805
Fixed fee	M = K * B	91,438	91,675	94,569	123,101	159,634
Total of fixed fee and other charges	N = L + M	104,500	104,772	108,079	140,687	182,439
Portfolio value (net of fee and other expenses) at year end	O = J - N	5,345,500	5,026,908	5,672,866	8,255,154	9,806,298
Net return for the year (%)	P = (O - G) / G	6.9%	-6.0%	12.9%	45.5%	18.8%

1. All fees and charges are subject to GST and other applicable taxes.
2. Fixed fee is calculated using average daily portfolio value and deducted on a monthly basis. In this illustration, for simplicity, it is calculated using the average of starting and ending portfolio value for the year and is shown to be deducted annually.
3. In this illustration, returns are assumed to be generated linearly through the year.
4. Other incidentals include account opening charges, audit fee, bank charges and other miscellaneous expenses.
5. Brokerage and custodian charges are charged at actual cost. We estimate these and other incidentals to be below 0.25% p.a. but this might change in the future based on what is charged by the respective external party.
6. This tool is for illustrative purposes only; fees and other charges will be levied as per the terms and conditions of the signed agreement.

East Green Advisors - Fee Illustration

Fixed + Performance Fee Plan

Assumptions						
Capital contribution (INR)	A	5,000,000				
Fixed fee (%age per annum)	B	0.50%				
Brokerage, custodian charges & other incidentals (%age per annum)	C	0.25%				
Performance fee (%age per annum)	D	20%				
Hurdle rate of return (%age per annum)	E	6%				
			Year 1	Year 2	Year 3	Year 4
Gross portfolio return (%) scenarios	F		9.0%	-4%	15.0%	48.0%
					Year 5	21.0%

Fee Calculation						
		1	2	3	4	5
Portfolio value at year start	G	5,000,000	5,388,650	5,133,497	5,862,133	8,159,628
Gross portfolio return (%)	H = F	9.0%	-4.0%	15.0%	48.0%	21.0%
Gain / Loss in the year based on scenario	I = G * H	450,000	-215,546	770,025	2,813,824	1,713,522
Gross portfolio value at year end (pre fee and charges)	J = G + I	5,450,000	5,173,104	5,903,522	8,675,957	9,873,150
Average gross portfolio value through the year	K = (G + J) / 2	5,225,000	5,280,877	5,518,510	7,269,045	9,016,389
Brokerage, custodian charges & other incidentals	L = K * C	13,063	13,202	13,796	18,173	22,541
Fixed fee	M = K * B	26,125	26,404	27,593	36,345	45,082
Total of fixed fee and other charges	N = L + M	39,188	39,607	41,389	54,518	67,623
Gross portfolio value (net of fixed fee & other expenses but before performance fee)	O = J - N	5,410,813	5,133,497	5,862,133	8,621,439	9,805,527
Hurdle value (compounded every year)	P (compounded)	5,300,000	5,618,000	5,955,080	6,312,385	6,691,128
High watermark	Q = U (of last yr)	5,000,000	5,410,813	5,410,813	5,862,133	8,621,439
Return qualifying for performance fee	R = O - higher of P & Q	110,813	0	0	2,309,055	1,184,088
Performance fee	S = R * D	22,163	0	0	461,811	236,818
Portfolio value (net of fixed and performance fees and other expenses) at year end	T = O - S	5,388,650	5,133,497	5,862,133	8,159,628	9,568,710
High water mark for next year	U = higher of O & Q	5,410,813	5,410,813	5,862,133	8,621,439	9,805,527
Net return for the year (%)	V = (T - G) / G	7.8%	-4.7%	14.2%	39.2%	17.3%

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3. In this illustration, returns are assumed to be generated linearly through the year.
4. Other incidentals include account opening charges, audit fee, bank charges and other miscellaneous expenses.
5. Brokerage and custodian charges are charged at actual cost. We estimate these and other incidentals to be below 0.25% p.a. but this might change in the future based on what is charged by the respective external party.
6. Hurdle rate is the minimum rate of return on initial investment below which performance fee cannot be charged for a portfolio. East Green uses a compounded hurdle rate, implying that hurdle is not reset every year.
7. Hurdle rate is prorated in case the performance fee period is less than one year or if there are capital additions or withdrawals during the period.
8. High watermark is the highest value that a portfolio has achieved so far. Performance fee can be charged only on the portfolio value in excess of the previous high watermark and hurdle value (where applicable). For the first year, high watermark is the capital invested.
9. This tool is for illustrative purposes only; fees and other charges will be levied as per the terms and conditions of the signed agreement.

East Green Advisors - Fee Illustration

Performance Fee Only Plan

Assumptions						
Capital contribution (INR)	A	5,000,000				
Fixed fee (%age per annum)	B	0.00%				
Brokerage, custodian charges & other incidentals (%age per annum)	C	0.25%				
Performance fee (%age per annum)	D	15%				
Hurdle rate of return (%age per annum)	E	0%				
			Year 1	Year 2	Year 3	Year 4
Gross portfolio return (%) scenarios	F		9.0%	-4%	15.0%	48.0%
					21.0%	

Fee Calculation						
		1	2	3	4	5
Portfolio value at year start	G	5,000,000	5,371,397	5,143,381	5,831,446	8,205,753
Gross portfolio return (%)	H = F	9.0%	-4.0%	15.0%	48.0%	21.0%
Gain / Loss in the year based on scenario	I = G * H	450,000	-214,856	771,507	2,799,094	1,723,208
Gross portfolio value at year end (pre fee and charges)	J = G + I	5,450,000	5,156,541	5,914,888	8,630,540	9,928,961
Average gross portfolio value through the year	K = (G + J) / 2	5,225,000	5,263,969	5,529,135	7,230,993	9,067,357
Brokerage, custodian charges & other incidentals	L = K * C	13,063	13,160	13,823	18,077	22,668
Gross portfolio value (net of expenses but before performance fee)	M = J - L	5,436,938	5,143,381	5,901,065	8,612,463	9,906,293
High watermark	N = R (of last yr)	5,000,000	5,436,938	5,436,938	5,901,065	8,612,463
Return qualifying for performance fee	O = M - N	436,938	0	464,128	2,711,398	1,293,830
Performance fee	P = O * D	65,541	0	69,619	406,710	194,075
Portfolio value (net of performance fees and other expenses) at year end	Q = M - P	5,371,397	5,143,381	5,831,446	8,205,753	9,712,219
High water mark for next year	R = higher of M & N	5,436,938	5,436,938	5,901,065	8,612,463	9,906,293
Net return for the year (%)	S = (Q - G) / G	7.4%	-4.2%	13.4%	40.7%	18.4%

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4. Brokerage and custodian charges are charged at actual cost. We estimate these and other incidentals to be below 0.25% p.a. but this might change in the future based on what is charged by the respective external party.
5. High watermark is the highest value that a portfolio has achieved so far. Performance fee can be charged only on the portfolio value in excess of the previous high watermark and hurdle value (where applicable). For the first year, high watermark is the capital invested.
6. This tool is for illustrative purposes only; fees and other charges will be levied as per the terms and conditions of the signed agreement.