

1. REFUSAL OF ORDERS FOR PENNY STOCKS

- a. The broker may from time to time limit (quantity / value) / refuse orders in one or more securities due to various reasons including market liquidity, value of security (ies), the order being for securities which are not in the permitted list of the broker / exchange(s) / regulator. Provided further that broker may require compulsory settlement / advance payment of expected settlement value / delivery of securities for settlement prior to acceptance / placement of order(s) as well. The client is aware that such refusal or delay caused by limit imposed may result into losses.
- b. The broker may require reconfirmation of orders, which are larger than that specified by the broker's risk management, and broker would have full discretion to reject the execution of such orders based on its risk perception.

2. SETTING UP CLIENT'S EXPOSURE LIMITS AND CONDITIONS UNDER WHICH A CLIENT MAY NOT BE ALLOWED TO TAKE FURTHER POSITION OR THE BROKER MAY CLOSE THE EXISTING POSITION OF A CLIENT.

- a. The broker may from time to time impose and vary limits on the orders that the client can place through the broker's trading system (including exposure limits, turnover limits, limits as to the number, value and / or kind of securities in respect of which orders can be placed etc.). The client is aware and agrees that the broker may need to vary or reduce the limits or impose new limits urgently on the basis of the broker's risk perception and other factors considered relevant by the broker including but not limited to limits on account of exchange / regulatory directions/ limits (such as broker level / market level limits in security specific / volume specific exposures etc.), and the broker may be unable to inform the client of such variation, reduction or imposition in advance. The client understands that under those circumstances the orders of the client have to be in accordance with revised parameters, which may even result into loss to the client.
- b. The client is not entitled to trade without adequate margin / security and that it shall be his / her / its responsibility to ascertain beforehand the margin / security requirements for his / her / its orders / trades / deals and to ensure that the required margin / security is made available to the broker in such form and manner as may be required by the

broker. If the client's order is executed despite a shortfall in the available margin, the client, shall, whether or not the broker intimates such short fall in the margin to the client, make up the shortfall suo moto immediately.

The client further agrees that he / she / it shall be responsible for all orders (including any orders that may be executed without the required margin in the client's account) &/ or any claim / loss / damage arising out of the non-availability / shortage of margin / security required by the broker & / or exchange &/or regulator.

- c. The broker is entitled to vary the form (i.e., the replacement of the margin / security in one form with the margin / security in any other form, say, in the form of money instead of shares) &/or quantum &/or percentage of the margin & / or security required to be deposited / made available, from time to time. The margin / security deposited by the client with the broker are not eligible for any interest unless specifically agreed to.
- d. The client is aware that in the event of client dealing on multiple exchanges / multiple segments of the exchange, the broker may in order to meet client's margin / pay out obligation arising across segments / exchanges include /appropriate any / all pay out of funds & / or securities towards margin / security . The broker may transfer funds & / or securities from his account for one exchange & / or one segment of the exchange to his / her / its account for another exchange & / or another segment of the same exchange whenever applicable and found necessary. The broker may treat / adjust his / her / its margin / security lying in one exchange &/ or one segment of the exchange / towards the margin / security / pay in requirements of another exchange & / or another segment of the exchange.
- e. The broker is entitled to disable / freeze the account & / or trading facility / any other service facility, if, the broker has reasons to believe that the client has committed a crime / fraud or has acted in contradiction of this agreement or / is likely to evade / violate any laws, rules, regulations, directions of a lawful authority whether Indian or foreign or if the broker so apprehends.

3. APPLICABLE BROKERAGE RATE

- a. The broker is entitled to charge brokerage within the limits imposed by exchange which at present is

as under:

- i. The maximum brokerage chargeable in relation to trades effected in the securities admitted to dealings on the Capital Market / Futures / Currency and Interest rate futures segment of the Exchange shall be 2.5 % of the contract price exclusive of statutory levies. It is hereby further clarified that where the sale / purchase value of a share is Rs.10/- or less in capital market segment, a maximum brokerage of 25 paise per share may be collected.
- ii. Brokerage for option contracts shall be charged on the premium amount at which the option contract was bought or sold and not on the strike price of the option contract. It is hereby further clarified that brokerage on options contracts shall not exceed 2.5% of the premium amount or Rs.100/- (per lot) whichever is higher.
- iii. The Client hereby unequivocally understands and agrees that the Broker in its sole discretion can at any time, with prior intimation to the Client, change its tariff structure.

4. IMPOSITION OF PENALTY/DELAYED PAYMENT CHARGES BY EITHER PARTY, SPECIFYING THE RATE AND THE PERIOD.

- a. Client should ensure full payment of all margins including those on derivatives transactions and should also not keep account in debit, in the event any amounts are overdue from the client towards trading or margin or on account of any other reason the broker will charge upto 21% per annum to client as delayed payment charges. As the cost of funds to the broker varies depending on economic conditions the rates shall be determined from time to time and will be communicated through email, SMS, web-site (CRN facility), periodic a/c and other statements etc.
- b. The client should not indulge in trading activity which is against law, rules and regulations. Clients trading activity should not be aimed at disturbing market equilibrium or manipulating market prices etc. If the client does so, the broker may keep in abeyance the payout funds or securities till such time that the client has been able to clearly demonstrate that his actions were not mala fide in any manner.
- c. The broker may impose fines / penalties for any orders / trades / deals / actions of the client which are contrary to this agreement / rules / regulations / bye laws of the exchange or any other law for the time being in force. Further where the broker has to pay any fine or bear any punishment from any

authority in connection with / as a consequence of / in relation to any of the orders / trades / deals / actions of the client, the same shall be borne by the client. The client agrees to pay to the broker brokerage, commission, fees, all taxes, duties, levies imposed by any authority including but not limited to the exchanges (including any amount due on account of reassessment / backlogs etc.), transaction expenses, stamp duty, STT, Goods and Service Tax, incidental expenses such as postage, courier etc. as they apply from time to time to the client's account / transactions / services that the client avails from the broker.

5. POLICY ON CLIENT UNPAID SECURITIES (T5 DEBIT)

- a. In case of clear balance in your trading account (for cash segment), the shares purchased by you will be transferred to your demat account on the settlement day. If you do not have a clear / settled balance in your trading account, then Smart will sell off your shares on T+2+ 5th trading days or as per Risk Management System of Smart, whichever is earlier. To avoid selling of shares, we request you to maintain sufficient margin in your trading account.
- b. If your securities are squared off due to ageing debit (square off on T+2+5th trading day), then you will not be able to buy the same scrip on the same day unless the debit is cleared by maintaining a clear/settled balance.
- c. In case of risk squared off, shares lying in your demat account will be considered for selling if you have given a POA in favour of Smart.
- d. The unpaid securities will not be considered as collateral for margin reporting in any of the derivative segments. Hence, you are requested to keep sufficient margin with us to avoid penalty from the Exchanges.

6. THE RIGHT TO SELL CLIENT'S SECURITIES OR CLOSE CLIENT'S POSITIONS, WITHOUT GIVING NOTICE TO THE CLIENT, ON ACCOUNT OF NON-PAYMENT OF CLIENT'S DUES (THIS SHALL BE LIMITED TO THE EXTENT OF SETTLEMENT / MARGIN OBLIGATION).

- a. The broker maintains centralized banking and securities handling processes and related banking and depository accounts at designated place. The client shall ensure timely availability of funds/securities in designated form and manner at

designated time and in designated bank and depository account(s) at designated place, for meeting his / her / its pay in obligation of funds and securities. The Client is aware that non-availability / short availability of funds / securities by the client in the designated account(s) of the broker for meeting payin obligation of either funds or securities may result into loss to the client. Further if the client gives orders / trades in the anticipation of the required securities being available subsequently for pay in through anticipated pay out from the exchange or through borrowings or any off market delivery(s) or market delivery(s) and if such anticipated availability does not materialize in actual availability of securities / funds for pay in for any reason whatsoever including but not limited to any delays / shortages at the exchange or broker level etc the same may also result into losses.

- b. The client understands that the benefit of any bank instrument deposited by the client towards his margin / security / payin obligation may be given on realization of the same. The broker will try to deposit the instrument for clearing in its bank account on best effort basis.
- c. Where the margin / security is made available by way of securities or any other permissible property, the broker may decline its acceptance as margin / security & / or to accept it at such reduced value as the broker may deem fit by applying haircuts or by valuing it by marking it to market or by any other suitable method . The broker may cancel pending orders and sell / close / liquidate all open positions / securities / shares at the pre-defined square off time or when Mark to Market (M-T-M) percentage reaches or crosses stipulated margin percentage mentioned on the website, whichever is earlier. The broker may prescribes stipulated margin percentage depending upon the market condition. The client is aware that such sale / close out / square off may result into losses.
- d. In case open position (i.e. short/long) gets converted into delivery due to non-square off because of any reason whatsoever, the client will provide securities / funds to fulfill the pay-in obligation failing which the client will have to face auctions or internal close outs; in addition to this the client will have to pay penalties and charges levied by exchange in actual and losses, if any.
- e. The broker is entitled to prescribe the date and time by which the margin / security is to be made available and the broker may not be able to give

benefit of the same towards margin / security after such deadline for margin / security expires. Notwithstanding anything to the contrary in the agreement or elsewhere, if the client fails to maintain or provide the required margin / fund / security or to meet the funds / margins / securities pay in obligations for the orders / trades / deals of the client within the prescribed time and form, the broker shall have the right without any further notice or communication to the client to take any one or more of the following steps:

- i. To with hold any payout of funds / securities.
- ii. To with hold / disable the trading / dealing facility to the client.
- iii. To liquidate one or more security(s) of the client by selling the same at market rates. It is agreed and understood by the client that securities here includes securities which are pending delivery/receipt.
- iv. To liquidate / square off partially or fully the position of sale & / or purchase in any one or more securities / contracts in such manner and at market rate.
- v. To take any other steps which in the given circumstances, the broker may deem fit. The client agrees that the loss(es) if any, on account of any one or more steps as enumerated herein above being taken by the broker, shall be borne exclusively by the client alone and agrees not to question the reasonableness, requirements, timing, manner, form, pricing etc., which are chosen by the broker.

7. SHORTAGES IN OBLIGATIONS ARISING OUT OF INTERNAL NETTING OF TRADES :

- a. The broker shall not be obliged to deliver any securities or pay any money to the client unless and until the same has been received by the broker from the exchange, the clearing corporation / clearing house or other company or entity liable to make the payment and the client has fulfilled his / her / its obligations first. The policy and procedure for settlement of shortages in obligations arising out of internal netting of trades is as under:
- b. The short delivering client is debited by an amount equivalent to 20% above of closing rate of day prior to Pay-in / Payout Day. The securities delivered short are purchased from market on T+2 day which is the Auction Day on Exchange, and the purchase consideration (inclusive of all statutory taxes & levies) is debited to the short delivering seller client along with reversal entry of provisionally amount debited earlier.

- c. If securities cannot be purchased from market due to any force majeure condition, the short delivering seller is debited at the closing rate on T+2 day or Auction day on Exchange +10%. Where the delivery is matched partially or fully at the Exchange Clearing, the delivery and debits / credits shall be as per Exchange Debits and Credits.
- d. In cases of securities having corporate actions all cases of short delivery of cum transactions which cannot be auctioned on cum basis or where the cum basis auction payout is after the book closure / record date, would be compulsorily closed out at higher of 10% above the official closing price on the auction day or the highest traded price from first trading day of the settlement till the auction day.

8. TEMPORARILY SUSPENDING OR CLOSING A CLIENT'S ACCOUNT AT THE CLIENT'S REQUEST.

The client may request the broker to temporarily suspend his account, broker may do so subject to client accepting / adhering to conditions imposed by broker including but not limited to settlement of account and / or other obligation. The broker can withhold the payouts of client and suspend his trading account due to his surveillance action or judicial or / and regulatory order / action requiring client suspension.

9. DEREGISTERING A CLIENT

- a. The broker shall be entitled to suspend the account of client with immediate effect & if need be deregister the client in any of the following circumstances:
 - i. If the actions of the client are prima facie illegal / improper or such as to manipulate the price of any securities or disturb the normal / proper functioning of the market, either alone or in conjunction with others.
 - ii. If there is any commencement of a legal process against the client under any law in force;
 - iii. On the death / lunacy or other disability of the client;
 - iv. If a receiver, administrator or liquidator has been appointed or allowed to be appointed of all or any part of the undertaking of the client;
 - v. If the client has voluntarily or compulsorily become the subject of proceedings under any bankruptcy or insolvency law or being a company, goes into liquidation or has a receiver appointed in respect of its assets or refers itself to the Board for Industrial and Financial Reconstruction or under any other

- law providing protection as a relief undertaking;
- vi. If the client being a partnership firm, has any steps taken by the client and / or its partners for dissolution of the partnership;
- vii. If the client have taken or suffered to be taken any action for its reorganization, liquidation or dissolution;
- viii. If the client has made any material misrepresentation of facts, Including (without limitation) in relation to the Security;
- ix. If there is reasonable apprehension that the client is unable to pay its debts or the client has admitted its inability to pay its debts, as they become payable;
- x. If the client suffers any adverse material change in his / her / its financial position or defaults in any other agreement with the broker;
- xi. If the client is in breach of any term, condition or covenant with the broker.
- xii. If any covenant or warranty of the client is incorrect or untrue in any material respect;

10. OTHER SIGNIFICANT POLICIES AND PROCEDURES

a. Proprietary Trading

The broker does undertake proprietary trading.

b. Trading Related

- i. The relationship being established between the client and the broker shall be that of principal and agent and the broker shall be the agent of the client. The client is required to make independent enquiries and satisfy himself that he is entitled to enter into the broker client relationship with the broker in the jurisdiction in which the client resides.
- ii. The broker recommends that client places orders in writing and takes acknowledgement as per the format available from the broker, so as to avoid any future disputes. The client may also choose to place orders verbally (by visiting the branch or through telephone), through Email, SMSs and / or through Internet based trading terminal which can be provided to the client upon requirement of client. The client may authorise his authorised representative to carry out the above whose orders shall be binding on the client.
- iii. The broker advises that it is preferable that client gives orders on the day the client desires trades, including orders for modification/cancellation, which the broker will punch in the trading system on

- a best efforts basis. However if client chooses to give orders in aftermarket hours than upon specific instruction of the client the broker may attempt to enter them in the trading system on the next trading day however it may not be possible in all instances to do so.
- iv. Orders given by client may or may not result in trades and the client should continuously monitor the final outcome of the order. Where orders have resulted in trades the same may or may not result in delivery and the client should continuously monitor his pay in / payout obligations.
 - v. The client is aware that as an additional service measure the broker provides online access through its web portal for which client has been provided CRN login and password, client is able to go through entire trading, holding, contract note, bill and other details, download / print the same through this facility. Client must access transactions in his account on regular basis and report discrepancies if any observed immediately to the notice of the broker so as to enable broker to take such remedial action as may be possible.
 - vi. No employee, sub broker, director or any other agent of the broker is authorised to give any assurances of profits, or to manage the account of the client in any discretionary manner. The client must make his own decisions regarding suitability of orders / investments and if need be rely upon his own independent advisers whether in matters of orders / trades or in the matters relating to taxation etc. Accordingly the client should not enter into any personal / private mutual understanding with any employee, sub broker, director or any other agent of the broker.
 - vii. The broker uses trading platforms such as ODIN / Fast Trade etc. which are exchange approved however there is no guarantee / warranty that these are bug / glitch free and the client may in rare occasions suffer losses which he should keep in mind while dealing through the broker.
 - viii. Where prima-facie it appears that trading system is suffering from some problems such as incorrect positions being shown etc. the client should refrain from trading and immediately bring the problem to the notice of the broker and act only after the problem has been resolved. The client understands that any action of client in such situation without informing the broker or not acting in accordance with the directions of the broker may cause loss in his account or may cause loss to be suffered by broker / any other client due to his action, which client may need to make good.
 - ix. The broker may tape record conversations of the client over telephone / in person however the broker shall not be obliged to do so and absence of availability of recordings shall not render any order / transaction unenforceable against the client, in as much as the orders can be placed over mobile phones, through visiting the branch and the recorded orders are also liable to damage / erasure on account of virus / capacity overrun of the machine.
 - x. As a measure of risk containment the broker may subject orders of the client to prior risk control assessment (such as checking availability of margin) before allowing the same to go into the trading system.
 - xi. The broker may provide market research, however the same is provided without any warranty or guarantee or suitability for the client and is provided on an as is where is basis and broker recommends that client may get the same examined through his personal financial / legal advisers as deemed fit. The facilities / data / research shall be provided to client on as is where is basis only for personal use and all rights in the same shall exclusively rest with the broker, and client is not entitled to share it whether for consideration or otherwise with any third party without a formal written authorisation by the broker. In the event of a breach the broker shall be entitled to bring legal action against the client.
 - xii. The broker issues contract notes with the order number and trade number and therefore shall not be providing order confirmation and trade confirmation slips to the client.
 - xiii. The broker may send various information such as, documents, bills, margin statements, statement of accounts etc., to the client through any one or more of the following means i.e. post, registered post, speed post, courier, telegram, voice mail, SMS, telephone, messages on trading platform, through word of mouth by the agents of the broker, by displaying it on the website of the broker or making it available as a download from the website of the broker, displaying it on the notice board of the branch, and where the client has provided email address, then these information may also be sent by the broker through email. The service providers such as postal authorities, Courier Company,

phone / SMS service providers etc., shall be deemed to be agents of the client and the delivery of the information shall be complete when the broker delivers the communications to such service providers.

- xiv. The client should review all information sent to the clients including contract notes etc. immediately upon receipt and revert to broker with discrepancy if any (including if any trades in the account are not as per client directions / orders) as early as practicable from the receipts of the same to allow the broker to take possible remedial steps.
- xv. The client shall forthwith cease trading and inform the broker in the event the client becomes ineligible to deal with the broker on account of any court, exchange or regulatory action.
- xvi. The broker shall be entitled to disseminate information about defaults made by the client to third parties.
- xvii. The client shall not work as a sub broker / authorised person without prior written permission of the broker and only after seeking appropriate registration with respective registering authorities.
- xviii. The client shall also not deal through the broker on an exchange of which the client himself is a member / Sub Broker / Authorised Person.
- xix. The broker shall be entitled to maintain combined/ collective books of accounts of the client across exchanges and / or other services such as depositories etc.
- xx. The records as provided by the broker through contract notes, bills, statement of accounts, statement of margin etc. shall be the official records to determine the obligations of broker and the client. Printouts taken from trading system or any such downloads etc. which are taken by the client from trading system may not give the correct picture and therefore shall not be the official record which bind the broker and the client.
- xxi. The client shall upgrade to the newer versions of trading software / back-office software etc. on account of changes made by the broker and / or any other service provider like depositories / Banks.
- xxii. The existence of broker client relationship does not imply that broker is liable to provide each and every service to the client, and services may not be provided in case the client does not fulfill the necessary conditions for the same.
- xxiii. Where client chooses to clear his trades through

Professional Clearing Member (PCM), then the broker shall revert such trades as are not confirmed by the PCM to the client who shall be then liable to not only pay all the margins on the same but to also settle the same.

- xxiv. The Broker provides electronic password generation facility to its clients and the Client understands that using this facility the Client can generate / change password for his account. The Client hereby agrees and accepts that the Broker in no way shall be responsible for any delay in receipt of password from the system. The Client shall be solely responsible for maintaining secrecy of the password, so generated / changed, and the Broker in no way shall be responsible for the misuse of the said password by any person other than the Client / Authorised person of the Client.

c. Payment related

- i. The broker may debit charges for other services such as depository, charges on account of dishonour of cheques, charges for issuance of demand drafts, NEFT / RTGS, SMS charges, research report charges, administrative charges-offline for offline order on per executed order, minimum processing fee charges etc. to the client's account.
- ii. The broker does not accept cash and in no event should the client make any payments to the broker, broker's employees, broker's sub-broker / authorised persons and/or any agent of broker by cash.
- iii. The client must make payments from his own bank account through a bank instrument. The bank instrument must be drawn in favor of the broker only. The broker may demand a proof that the payments are being made by the client from his own account without which the Broker may not give credit to the client. In case of Demand Drafts, following may be required:
- iv. Certificate from the issuing bank on its letter head or on a plain paper with the seal of the issuing bank.
- v. Copy of the passbook / bank statement for the account debited to issue the instrument duly certified by the Bank. Please ensure that copy of the passbook/bank statement clearly reflects that amount has been debited for the purpose of issuing of prefunded instruments in favor of SEBPL.
- vi. The client should never leave any blank instrument(s) such as cheques / depository instruction slips (DIS) etc. with broker or broker's

employees, broker's sub-broker / authorised persons and / or any agent of broker. The broker shall not be responsible for their misuse.

- vii. The broker shall make delivery of funds / securities to the client only after the same has been received from the exchange / clearing corporation / clearing house / the delivering client.
- viii. Electronic Payment Gateway for Net Banking Services: The Broker may provide on its website, without additional cost to the Client, access to Electronic Payment Gateways provided by various banks for facilitating transfer of funds from the Client's bank account to the trading account of the Client with the Broker. The Client understands and accepts that the Broker is only providing access to the electronic fund transfer facility provided by the banker of the Client through the Broker's website by means of an interface and the Broker is not liable or responsible for the proper functioning or otherwise of the Gateway or for any transaction errors, losses, malfunctioning or hacking of the system by unscrupulous elements, frauds, and/or any incidental or consequential claims arising therefrom, the Client undertakes not to make the Broker a party to any litigation, claim, dispute, difference or complaint that the Client may initiate in respect of, arising out of or in connection with any transactions on the Payment Gateway and agrees that the Broker's liability shall at all time be limited to the amount actually received in its account by electronic transfer from the Client's account with the Bank.
- ix. Remit Funds payout electronically into client's bank account: Notwithstanding anything contained in this document and without prejudice to the rights and obligations of the parties interse, the Client, hereby agrees and authorises the Broker to transfer funds due for payment to the Client through Net Banking / EFT / RTGS / NEFT for the credit of designated bank account(s) of the Client details of which are given by it to the Broker. **Client shall also give to the Broker a cancelled cheque leaf of the designated Bank account for this purpose. The Client agrees that it shall not hold the Broker liable if any fund is credited to wrong account(s) as a result of the Client providing incorrect account details to the Broker.** The Broker reserves the right to reject request of the Client for electronic fund transfer or to discontinue

the facility without assigning any reason. The Client also understands and agrees that the Broker shall not be responsible for any delay / failure in transmission of electronic payout of funds due to any reason whatsoever and undertakes to not hold the Broker liable in this regard.

d. Corporate Action

- i. If client has kept securities in broker's margin account for use as margin / delivery against trading / dealing of client, the client should continuously monitor if any corporate benefits are proposed / offered by the issuer company(ies) of such securities and get the securities transferred to his personal demat account to receive the corporate benefits, the broker shall not be required to make the applications for proposed/ offered corporate action / benefits. Broker, in exceptional circumstances, upon specific written request, may attempt to seek corporate benefits for and on behalf of the client while keeping the custody of securities with its own self, however the same shall be without any warranty / guarantee that the corporate benefits shall be received. The client shall also provide funds and application etc. well in time to allow the broker to take necessary action.
 - ii. Where any corporate benefits come into the broker's account, upon any written request / agreed settlement procedures the same shall be held as part of existing margin / collateral, and shall be released to the client upon written request.
 - iii. The contract specifications may undergo changes because of corporate actions (such as shares split etc.) / directions by exchanges, and the client should actively monitor his open positions and take necessary actions to avoid any losses on account of any such changes.
- e. Disputes Redressal**
- i. The broker and the client agree that they shall refer any claim and / or difference and / or disputes to arbitration as per the rules, byelaws and regulations of the concerned exchange and circulars issued there under as may be in force from time to time.

Client confirms having read & accepted the terms & conditions of this document titled "Policies and Procedure" inter-alia comprising clauses 1 to 10 and agrees to be bound by all of them.

POLICIES & PROCEDURE AS APPLICABLE TO CLIENTS FOR DEALING IN COMMODITIES EXCHANGES

1. Trading Related

- 1.1 The Broker (also referred to as Member, Exchange Member and/or as referred in bye laws, rules, regulations of the Exchange) recommends that Client (also referred to as Constituent, Non-member Client and/or as referred in bye laws, rules, regulations of the Exchange) places orders in writing and takes acknowledgement as per the format available from the Broker, so as to avoid any future disputes. The Client may also choose to place orders verbally (by visiting the branch or through telephone), through e-mail, SMSs and /or through Internet based trading terminal which can be provided to the Client upon requirement of Client. The Client may authorize his authorized representative to carry out the above whose orders shall be binding on the Client.
- 1.2 The Broker advises that it is preferable that Client gives orders on the day the Client desires to trade, including orders for modification/cancellation, which the Broker will punch in the trading system on a best efforts basis. However, if Client chooses to give orders in aftermarket hours then upon specific instruction of the Client, the Broker may attempt to enter them in the trading system on the next trading day however it may not be possible in all instances to do so.
- 1.3 Orders given by Client may or may not result in trades and the Client should continuously monitor the final outcome of the order. Where orders have resulted in trades the same may or may not result in delivery and the Client should continuously monitor his pay in / payout obligations.
- 1.4 The Client is informed that as an additional service measure the Broker provides online access through its web portal for which Client has been provided Online Login / CRN and password, Client is able to go through entire trading, holding, contract note, bill and other details and can download / print the same through this facility. Client must access transactions in his account on regular basis and report discrepancies if any observed urgently the
- Broker so as to enable Broker to take such remedial action as may be possible.
- 1.5 No employee, Authorised Person, director or any other agent of the Broker is authorized to offer any Portfolio Management Services or Portfolio Advisory Services or to give any assurances of profits, or to manage the account of the Client in any discretionary manner. The Client must make his own decisions regarding suitability of orders/investments and if need be rely upon his own independent advisers whether in matters of orders/trades or in the matters relating to taxation etc. Accordingly the Client should not enter into any personal/private mutual understanding with any employee, Authorised Person, director or any other agent of the Broker.
- 1.6 The Broker will not be providing the Client with any legal, tax, investment or accounting advice or advice regarding the suitability or profitability of any trading or investment and as such all trading / investment and disinvestment decisions are based on the Client's own evaluation of financial circumstances and investment objectives. This extends to any decision made by the Client on the basis of any information (including research reports) whether paid for or given free, that may be made available by the Broker including that on the website/trading platform/through SMS/ email / letters etc. The Broker does not represent that the information, research / opinions if given is/are accurate or complete or shall be so. The Client is advised that any information based on the research of the Broker or other external sources is merely an estimation of the viability or otherwise of certain investments, and the Broker shall not be deemed to have assumed any responsibility for such information. The Client should seek independent professional advice regarding the suitability of any investment decision. Broker or any of its officers, directors, employees, agents, subsidiaries, affiliates or business associates shall not be liable for any trading losses or other losses, costs or damage incurred by the Client consequent upon relying on information, research / opinions or advice or any other

information by the Broker. The facilities/data/ research shall be provided to Client on as is where is basis only, for personal use and all rights in the same shall exclusively rest with the Broker, and Client is not entitled to share it whether for consideration or otherwise with any third party without a formal written authorisation by the Broker.

- 1.7 Where prima-facie it appears that trading system is suffering from some problems such as incorrect trading / holding/ open positions being shown etc. the Client should immediately bring the problem to the notice of the Broker and act only after the problem has been resolved / or as per advise given by the Broker. The Client understands that any action of Client in such situation without informing the Broker or not acting in accordance with the directions of the Broker may cause loss in his account or may cause loss to be suffered by Broker / any other Client, which Client may need to make good.
- 1.8 The Broker may record conversations of the Client over telephone/in person however the Broker shall not be obliged to do so and absence of availability of recordings shall not render any order/transaction unenforceable against the Client, in as much as the orders can be placed over mobile phones, through visiting the branch and the recorded orders are also liable to damage/erasure on account of virus/capacity overrun of the machine and not all lines are on recording machines.
- 1.9 Subject to regulatory requirements of particular mode to be used for certain information / documents, the Broker may send various information such as, documents, bills, margin statements, statement of accounts etc., to the Client through any one or more of the following means i.e. post, registered post, speed post, courier, telegram, voice mail, SMS, telephone, messages on trading platform, through word of mouth by the agents of the Broker, by displaying it on the website of the Broker or making it available as a download from the website of the Broker, displaying it on the notice board of the branch, newspaper advertisements or if circumstances so require, by broadcast over radio/television and where the Client has provided email address, then these information may also be sent

by the Broker through email. The service providers such as postal authorities, Courier Company, phone / SMS service providers etc., shall be agents of the Client and the delivery of the information shall be complete when the Broker delivers the communications to such service providers.

- 1.10 The Client should review all information sent to the Client including contract notes etc. immediately upon receipt and revert to the Broker with the discrepancy if any (including if any trades in the account are not as per Client directions / orders) at the earliest (and in any case within exchange / regulator prescribed time limit, if applicable) of the receipt of the same to allow the Broker to take remedial steps if any are possible. Client is further advised that due to above regular dissemination / dispatch of information the Client shall know the quantum of funds / securities etc. which should be received by him in regular course of trading etc. Therefore where Client comes in possession of assets of the Broker (including those of any third party such as bank / other Clients) which do not appear to belong to him, (whether due to system, software / hardware and / or human failure / fraudulent acts) the same shall be held by the Client in trust and returned suo-moto to the Broker.
- 1.11 The Client shall forthwith cease trading and inform the Broker in the event the Client becomes ineligible to deal with the Broker on account of any court, exchange or regulatory action.
- 1.12 The Broker shall be entitled to disseminate information about defaults made by the Client to third parties.
- 1.13 The Client shall not work as an Authorised Person without prior written permission of the Broker and only after seeking appropriate registration with respective registering authorities.
- 1.14 The Client shall also not deal through the Broker on an exchange of which the Client himself is a Broker, except with prior written permission from relevant authority. The Client shall also not deal through other Broker on an exchange of which the Client himself is an Authorised Person, except with prior written permission from relevant authority.

- 1.15 The Broker shall be entitled to maintain books of accounts of the Client separately/collectively across exchanges/segments of exchanges and/or other services rendered by Broker to Clients.
- 1.16 The records as provided by the Broker through contract notes, bills, statement of accounts, statement of margin etc. shall be the official records to determine the obligations of Broker and the Client. Printouts taken from trading system or any such downloads etc. which are taken by the Client from trading system may not give the correct picture and therefore shall not be the official record which bind the Broker and the Client.
- 1.17 The Client shall upgrade to the newer versions of trading software/back-office software etc. on account of changes made by the Broker and/or any other service provider like depositories/Banks etc.
- 1.18 The existence of Broker Client relationship does not imply that Broker is liable to provide each and every service to the Client, and services may not be provided in case the Client does not fulfill the necessary conditions for the same.
- 1.19 Client is informed that any loss due to any erroneous order entry / erroneous order modification or otherwise may be entertained by the Broker only to the extent of insurance claim received.
- 1.20 The Client shall not, either acting alone or in concert with others, directly or indirectly holds and control excess number of permitted contracts as fixed by exchange from time to time. The Client shall not exercise a long or short position , whereby Client would have either acting alone or in concert with others , directly or indirectly exercised in excess of permitted limits as fixed by exchange from time to time.
- 1.21 The Broker provides electronic password generation facility to its clients and the Client understands that using this facility the Client can generate / change password for his account. The Client hereby agrees and accepts that the Broker in no way shall be responsible for any delay in receipt of password from the system. The Client shall be solely responsible for maintaining secrecy of the password, so generated/

changed, and the Broker in no way shall be responsible for the misuse of the said password by any person other than the Client / authorized person of the Client.

2. Exposure and Margin Related

- 2.1 The Broker may from time to time impose and vary limits on the orders that the Client can place through the Broker's trading system (including exposure limits, turnover limits, limits as to the number, value and/or kind of commodities/ contracts in respect of which orders can be placed etc.). The Client is being made aware that the Broker may need to vary or reduce the limits or impose new limits urgently on the basis of the Broker's risk perception and other factors considered relevant by the Broker including but not limited to limits on account of exchange/regulatory directions/ limits (such as Broker level/ market level limits in commodity specific / volume specific exposures etc.), and the Broker may be unable to inform the Client of such variation, reduction or imposition in advance. The Client is being made aware that under such circumstances the orders of the Client have to be in accordance with revised parameters, which may even result into loss to the Client.
- 2.2 The Client is not entitled to trade without adequate margin / security and that it shall be Client's responsibility to ascertain beforehand the margin / security requirements for Client's orders / trades /deals and to ensure that the required margin / security is made available to the Broker in such form and manner as may be required by the Broker. If the Client's order is executed despite a shortfall in the available margin, the Client shall make up the shortfall suo motu immediately. The Client is further informed that Client shall be responsible for all orders (including any orders that may be executed without the required margin in the Client's account) &/ or any claim / loss/ damage arising out of the non-availability /shortage of margin / security required by the Broker& / or exchange &/or regulator.
- 2.3 The Broker is entitled to vary the form (i.e., the replacement of the margin / security in one form with the margin / security in any other form, say, in the form of money instead of bank guarantee/shares) &/or quantum &/or

percentage of the margin & / or security required to be deposited / made available, from time to time. The margin / security deposited by the Client with the Broker are not eligible for any interest unless specifically agreed to.

- 2.4 The Broker is entitled to include /appropriate any /all pay out of funds & / or commodities towards margin / security.
- 2.5 As a measure of risk containment the Broker may subject, orders of the Client to prior risk control assessment (such as checking availability of margin) before allowing the same to go into the trading system.
- 2.6 The Client is informed that the Broker may elect to communicate / advise from time to time the parameters for the calculation of the margin / security requirements as rate(s) / percentages(s) of the dealings, through any one or more means or methods as described / prescribed and once parameters for margin / security requirements are so communicated , the Client shall monitor Client's position (dealings / trades and valuation of contracts / commodity) on Client's own and provide the required / deficit margin / security forthwith as required from time to time whether or not any margin call or such other separate communication to that effect is sent by the Broker to the Client &/or whether or not such communication is received by the Client.
- 2.7 Payment of margins by the Client does not necessarily imply complete satisfaction of all dues. In spite of consistently having paid margins, the Client may, on the closing of its trade, be obliged to pay (or entitled to receive) such further sums as the contract may dictate/require.
- 2.8 Where the Client chooses to clear his trades through Professional Clearing Broker (PCM) , then the Broker shall revert such trades as are not confirmed by the PCM to the Client who shall be then liable to not only pay all the margins on the same but to also settle the trading obligation.

3. Corporate Action

- 3.1 If Client has kept securities in Broker's margin account for use as margin, the Client should continuously monitor if any corporate benefits are proposed/ offered by the issuer company(ies) of such securities and get the

securities transferred to his personal demat account to receive the corporate benefits, the Broker shall not be required to make the applications for proposed/ offered corporate action/ benefits Broker, in exceptional circumstances, upon specific written request, may attempt to seek corporate benefits for and on behalf of the Client while keeping the custody of securities with its own self; however the same shall be without any warranty/guarantee that the corporate benefits shall be received. The Client shall also provide funds and application etc. well in time to allow the Broker to take necessary action.

- 3.2 Where any corporate benefits come into the Broker's account, upon any written request / agreed settlement procedures the same shall be held as part of existing margin/collateral, and shall be released to the Client upon written request / as required under applicable regulatory requirements.
- 3.3 The Client understands that Broker advises and recommends that Client should take buy / sell positions in contracts with prior payment to Broker of the full settlement / expiration price of the contract. However, Client may choose, with attendant risks, to enter into contracts with payment of various margins and up front amounts payable.

4. Payment and Settlement Related

- 4.1 The Broker may debit charges for other services such as depository, charges on account of dishonour of cheques (but shall have the right to proceed under law against the Client for dishonor as well) , charges for issuance of demand drafts, NEFT/RTGS, SMS charges, research report charges, administrative charges-offline for offline order on per executed order, minimum processing fee charges etc. to the Client's account.
- 4.2 The Broker does not accept cash and in no event should the Client make any payments to the Broker, Broker's employees, Broker's Authorised Persons and/or any agent of Broker by cash.
- 4.3 The Client must make payments from his own bank account through a bank instrument/ banking channel. The Broker may demand a proof that the payments are being made by the

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- Client from his own account without which the Broker may not give credit to the Client.
- 4.4 PAYMENT BY THE CLIENT SHOULD BE MADE IN THE NAME OF BROKER- "Smart Equity Brokers (P) Ltd." ONLY THROUGH BANK INSTRUMENT/ BANKING CHANNEL. THE BROKER SHALL NOT BE RESPONSIBLE FOR PAYMENT IN ANY OTHER NAME.
 - 4.5 The Client should never leave any blank instrument(s) such as cheques / depository instruction slips (DIS) etc. with Broker or Broker's employees, Broker's Authorised Persons and/or any agent of Broker, so as to disallow any misuse, delayed banking etc.
 - 4.6 The Broker shall make delivery of funds/ commodities to the Client only after the same has been received from the exchange/ clearing corporation/clearing house /the delivering Client.
 - 4.7 Broker shall not be responsible for any claim/ loss/ damage arising out of quality variation or any delay in physical handover of delivery by exchange/ exchange accredited warehouses against purchase obligation of the Client.
 - 4.8 Client should ensure full payment of all margins including those on derivatives transactions and should also not keep account in debit, in the event any amounts are overdue from the client towards trading or margin or on account of any other reason the broker will charge upto 21% per annum to client as delayed payment charges. As the cost of funds to the broker varies depending on economic conditions the rates shall be determined from time to time and will be communicated through email, SMS, web-site (Online Login), periodic a/c and other statements etc.
 - 4.9 The Client should not indulge in trading activity which is against law, rules and regulations. Clients trading activity should not be aimed at disturbing market equilibrium or manipulating market prices etc. If the Client does so, the Broker may keep in abeyance the payout funds or commodities till such time that the Client has been able to clearly demonstrate that his actions were not malafide in any manner.
 - 4.10 The Broker may impose fines / penalties etc. for any orders / trades / deals / actions of the Client which are contrary to this document / rules / regulations / bye laws of the exchange or any other law for the time being in force. Further where the Broker has to pay any fine or bear any punishment from any authority in connection with / as a consequence of / in relation to any of the orders / trades / deals / actions of the Client, the same shall be borne by the Client. The Client is required to pay to the Broker brokerage, commission, fees, and all taxes, duties, levies imposed by any other authority including but not limited to the exchanges (including any amount due on account of reassessment / backlogs etc.), transaction expenses, stamp duty, and goods and service tax (GST), incidental expenses such as postage, courier etc. as they apply from time to time to the Client's account / transactions / services that the Client avails from the Broker.
 - 4.11 The Client shall submit the delivery as per contract specification for all sale obligation(s) within designated dead lines specified by the Broker, in case of any default/delay in delivery, any penalty / losses imposed by exchange/ clearing corporation/ regulatory body including incidental costs will be borne by Client itself.
 - 4.12 Subject to regulatory changes, all contracts culminating in delivery (which are not squared off and information for giving and taking delivery is given by the Clients) would be transaction for purchase and sales between the Clients inter-se and the Clients would be personally liable to each other though the contract and relationships are governed and regulated by the Bye Laws, Rules and Regulations of the Exchange.
 - 4.13 Client shall be required to have Client's duly authorised agent to carry the work for effecting / taking the deliveries, if they do arise. Client is cautioned that if Client fails to advise the Broker in advance (number of days advance notice to vary as per requirements of exchange / contract /Broker) in writing the details of the agent who shall undertake the relevant activities, related to any delivery receipt/ transfer out, lifting of delivery, for and on behalf of the Client, the Broker shall stand authorised to appoint an agent on Client's behalf. Broker shall not be responsible for any acts of omission / commission or deficiencies of the services of the person who is appointed as agent for the Client. Client is informed that agent appointed by Broker

shall be Client's direct agent and not a sub-agent of Broker and Client shall be directly responsible for all acts of omission and commission of the agent appointed for and on behalf of the Client by the Broker. Client shall confirm the acts of agent appointed by Broker and shall bear any & all losses which may occur on account of action taken / omitted to be taken by said agent. Client is informed that all charges, cost, levies and taxes etc associated with or incidental to the deliveries including cost/fee/ charges of agent appointed for and on behalf of the Client by the Broker shall be fully borne by Client alone.

4.14 To avoid disputes regarding delivery (date / time etc.) of any request/ information to the Broker it is advised to the Client that all requests shall be submitted by Client in writing well in advance, and the Client shall ensure to take due receipt of each request on the photocopy/ carbon copy of such request from the manager and one more officer of relevant branch/ office of the Broker along with company stamp. Client is further informed that due to operational reasons, action on the Client's request by the Broker may not be immediate but are likely to take reasonable time, and shall be subject to other factors which disallow action upon the request being made, without limitation and as illustration existing debit balances, open exposures etc. may disallow action by Broker on payout requests.

4.15 Electronic Payment Gateway for Net Banking Services: The Broker may provide on its website, without additional cost to the Client, access to Electronic Payment Gateways provided by various banks for facilitating transfer of funds from the Client's bank account to the trading account of the Client with the Broker. The Client understands and accepts that the Broker is only providing access to the electronic fund transfer facility provided by the banker of the Client through the Broker's website by means of an interface and the Broker is not liable or responsible for the proper functioning or otherwise of the Gateway or for any transaction errors, losses, malfunctioning or hacking of the system by unscrupulous elements, frauds, and/or any incidental or consequential claims arising therefrom, the Client undertakes not to make the Broker a party to any litigation, claim,

dispute, difference or complaint that the Client may initiate in respect of, arising out of or in connection with any transactions on the Payment Gateway and agrees that the Broker's liability shall at all time be limited to the amount actually received in its account by electronic transfer from the Client's account with the Bank.

4.16 Remit Funds payout electronically into client's bank account: Notwithstanding anything contained in this document and without prejudice to the rights and obligations of the parties interse, the Client, hereby agrees and authorizes the Broker to transfer funds due for payment to the Client through Net Banking / EFT / RTGS / NEFT for the credit of designated bank account(s) of the Client details of which are given by it to the Broker. Client shall also give to the Broker a cancelled cheque leaf of the designated Bank account for this purpose. The Client agrees that it shall not hold the Broker liable if any fund is credited to wrong account(s) as a result of the Client providing incorrect account details to the Broker. The Broker reserves the right to reject request of the Client for electronic fund transfer or to discontinue the facility without assigning any reason. The Client also understands and agrees that the Broker shall not be responsible for any delay/ failure in transmission of electronic payout of funds due to any reason whatsoever and undertakes to not hold the Broker liable in this regard.

4.17 The Client hereby unequivocally understands and agrees that the Broker in its sole discretion can at any time, with prior intimation to the Client, change its tariff structure.

5. Clearing & Settlement

5.1 The Broker maintains centralized banking and commodities handling processes and related banking and depository accounts at designated place. The Client shall ensure timely availability of funds/commodities in designated form and manner at designated time and in designated bank and depository account(s) at designated place, for meeting Client's pay in obligation of funds and commodities. The Client is being made aware that non-availability / short availability of funds / commodities by the Client in the designated account(s) of the Broker for meeting pay in obligation of either funds or commodities

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may result into loss to the Client. Further, if the Client gives orders / trades in the anticipation of the required commodities being available subsequently for pay in through anticipated pay out from the exchange or through borrowings or any off market delivery(s) or market delivery(s) and if such anticipated availability does not materialize in actual availability of commodities / funds for pay in for any reason whatsoever including but not limited to any delays / shortages at the exchange or Broker level etc., the same may also result into losses to the Client.

5.2 The benefit of any bank instrument deposited by the Client towards his margin /security / pay in obligation may be given only on realization of the same from bank and its accounting in books of accounts of the Broker.

5.3 Where the margin /security is made available by way of commodities or any other permissible property, the Broker may decline its acceptance as margin / security & / or to accept it at such reduced value as the Broker may deem fit by applying haircuts or by valuing it by marking it to market or by any other suitable method. The Broker may cancel pending orders and to sell/close/liquidate all open positions/ commodities/ shares at the pre-defined square off time or when Mark to Market (M-T-M) percentage reaches or crosses stipulated margin percentage, whichever is earlier. The Broker may prescribe/change stipulated margin percentage depending upon exchange / regulatory requirements and/or changes in the market conditions etc. The Client is made aware aware that such sale/ close out / square off may result into losses.

5.4 In case open position (short/long) gets converted into delivery due to non-square off because of any reason whatsoever, the Client will provide commodities/funds to fulfill the pay-in obligation failing which the Client will have to face auctions or internal close outs; in addition to this the Client will have to pay penalties and charges levied by exchange in actual and losses, if any.

5.5 The Broker is entitled to prescribe the date and time by which the margin / security is to be made available and the Broker may not be able to give benefit of the same towards margin / security after such deadline for margin/security expires.

In the event of Client not adhering to exchange, regulatory and / or Broker prescribed norms / requirements including those of maintenance of margin, timely pay-in etc. the Broker shall have the right without any further notice or communication to the Client to take any one or more of the following steps:

- a. To withhold any payout of funds/ commodities.
- b. To withhold /disable the trading / dealing facility to the Client.
- c. To liquidate one or more commodity(s) of the Client by selling the same at market rate in such. It is informed to the Client that commodities here include commodities which are pending delivery/receipt.
- d. To liquidate / square off partially or fully the position of sale & / or purchase in any one or more commodities / contracts in such manner and at market rate.
- e. To take any other steps which in the given circumstances, the Broker may deem fit.

The Client understands that due to steps enumerated herein above, Client may incur loss. Hence, Client shall ensure availability of funds/security in designated account(s) of the Broker by deadline defined.

5.6 The Client hereby authorizes the Broker to take all such steps on the Client's behalf as may be required or deemed necessary by Broker for compliance with the exchange provisions or any other law or provisions or to complete or settle any transactions entered into through or with the Broker or executed by the Broker on behalf of the Client. Though the Broker may take such steps, however the primary responsibility to adhere to Laws, Rules, Regulations, Circulars and pay-in requirements etc. shall always be of the Client only.

5.7 Client is hereby advised that Broker may mark to market Client's open positions / contracts on real time basis and if the available clear balances in the account of the Client are not sufficient to meet the real time sum total of amount(s) required towards margins and any other demands by Broker&/or exchanges (including real time mark to market margin) even though not posted in the

running account [as the posting is not done on real time basis], then the Broker may square off / close out / dispose off any or all open positions/contracts/available collaterals of the Client. Given the dynamics of market, Broker is not likely to be able to give prior information/ notice to the Client before carrying out the actions as required. Clients advised that such actions may entail some losses etc. to Client's Account. Hence client should monitor his trading and disallow any such eventuality.

- 5.8 In case Client has made any purchase and the delivery of the same falls short inter-Client at the Broker level, the Broker(if Broker deems fit) make purchases of the same in the market to make available the said delivery(ies) to receiving Client.
- 5.9 In case Client has made any sale and due to any exigencies Client is unable to make available the delivery of the same in the designated account within the designated time and it is an inter Client delivery at Broker level, the Broker(if deemed fit) may make purchases of the same in the market on Client's behalf to make available the delivery to the opposite party.

6. Sales Tax and other Registrations

- 6.1 Clients who intend receiving/giving delivery should ensure that they have all the proper local registration numbers/documents such as sales tax registration etc. on or before the settlement of the delivery. Deliveries given / received by Clients who are not registered as per the applicable laws and guidelines or whose registration is not valid on the date of settlement / delivery may not be liable to collect the sales tax / any other tax if applicable from Buyers. Further the seller may be obliged to collect any appropriate monetary compensation demanded by the APMC /other authorities/ sales tax department due to the unregistered status of Client.
- 6.2 Registration may need to be obtained by the Client / participant in the State where the delivery is affected or as per law applicable at the relevant time/ place. The Client/participant will have to register in all those states where any registrations are required including where the delivery center for the commodities is located.

- 6.3 Rates of tax for commodities may differ from State to State / place to place. In the case of trades culminating into delivery, tax as per the delivery center/state may be payable. Laws may provide for levy of additional tax, turnover tax, resale tax, etc. which may or may not be recoverable from the buyer depending on the provisions of the local State sales tax / any other applicable law and Broker will not be responsible for the same.

- 6.4 It is obligatory on the part of the registered seller to collect the sales tax from the buyer and file the returns as per the defined procedure of the relevant local sales tax laws.

7. Deregistering / Suspending a Client and Termination of relationship

- 7.1 The Broker may suspend the account of Client with immediate effect and if need be de - register /terminate the Client in any of the following circumstances:
 - a. If the actions of the Client are prima facie illegal / improper or such as to manipulate the price of any commodities or disturb the normal /proper functioning of the market, either alone or in conjunction with others, in such eventuality the Client acknowledges that the Broker reserves the right to keep in abeyance the payout/ delivery of funds /securities or any other assets to Client as may be deemed fit by the Broker depending upon the gravity of the violation or/and through trades done by/on behalf of the Client considered as prima facie illegal / improper by the Broker / the relevant exchange(s) / regulators(s). The Client further understands and accepts that the Broker may levy penalty for trades done by / on behalf of the Client which are considered prima facie illegal / improper by the Broker / the relevant exchange(s) / regulator(s), as may be deemed fit by the relevant exchange(s) / regulator(s)/Broker.
 - b. If there is any commencement of a legal process against the Client under any law in force;
 - c. On the death/lunacy or other disability of the Client;

- d. If a receiver, administrator or liquidator has been appointed or allowed to be appointed of all or any part of the undertaking of the Client;
 - e. If the Client has voluntarily or compulsorily become the subject of proceedings under any bankruptcy or insolvency law or being a company, goes into liquidation or has a receiver appointed in respect of its assets or refers itself to the Board for Industrial and Financial Reconstruction or under any other law providing protection as a relief undertaking;
 - f. If the Client being a partnership firm, has any steps taken by the Client and/ or its partners for dissolution of the partnership;
 - g. If the Client have taken or suffered to be taken any action for its reorganization, liquidation or dissolution;
 - h. If the Client has made any material misrepresentation of facts, Including (without limitation) In relation to the security;
 - i. If there is reasonable apprehension that the Client is unable to pay its debts or the Client has admitted Its Inability to pay its debts, as they become payable;
 - j. If the Client suffers any adverse material change in his / her / its financial position or defaults in any other agreement with the Broker;
 - k. If the Client is in breach of any term, condition or covenant with the Broker.
 - l. If any covenant or warranty of the Client is incorrect or untrue in any material respect;
 - m. Client causes nuisance and disruption in the functioning of the Broker.
- 7.2 Information about default by a Client may be brought to the notice of third parties including but not limited to trade associations, the relevant exchange(s) &/or legal / regulatory authorities. In case where defaulting Client is a corporate entity/partnership/ proprietary firm or any other artificial legal entity, then the name(s) of director(s)/ promoter(s)/ partner(s)/ proprietor as the case may be, may also be communicated by the Broker.
- 7.3 The Client may request the Broker to temporarily suspend his account, Broker may do so subject to Client accepting / adhering to conditions which may be including but not limited to prior settlement of account and/ or other obligation. The Broker may withhold the payouts of Client and/or suspend the trading account due to Client's trading being prima facie illegal / improper or due to judicial or / and regulatory order/action requiring Client suspension.
- 7.4 The Broker may disable / freeze the account & / or trading facility / any other service facility,
- a. if, prima facie illegal , the Client has committed a crime / fraud or has acted in contradiction of this agreement or / is likely to evade / violate any laws, rules, regulations, directions of a lawful authority whether Indian or foreign or if the Broker so apprehends.
 - b. if the Client creates any encumbrance over the assets placed as margin, or otherwise takes any action towards creation of any encumbrance over the assets placed as margin;
 - c. if the title of the Client to the asset(s) placed as margin/ security is in jeopardy or if there is an order of attachment or lien against the assets(s) placed as margin/security;
 - d. if an Event of Default has occurred under any other agreements entered into by the Client with the Broker or Broker Group companies.

8. Other significant policies and procedures

- 8.1 Proprietary Trading: The broker does undertake proprietary trading.
- 8.2 The Client is hereby advised to use the facilities, data and information which is provided by the Broker or which may become available to the Client as a result of Client's relationship with the Broker purely for purposes permitted by the Broker and only for personal use and should never disseminate any information or data for any reason or purposes whatsoever except under a written authority signed by a director of the Broker. It is advised to the Client that all intellectual properties (IP) in any such

information / data shall remain with the Broker and / or exchange and /or relevant service / information provider and Client shall not remove any IP markers etc. from any documents/ information received.

- 8.3 The Client is informed that his /her/ its utilization of any other service / facility from Broker, shall to the extent possible be covered by the terms & conditions of this document.
- 8.4 The Client is informed that all assets of the Client (including but not limited to monies/ securities or any other property) which the Broker may hold on Client's account shall be held subject to a general lien for the discharge of Client's obligations to the Broker. Client is further advised neither to close any account where such assets are kept including but not limited to bank and/ or depository accounts nor to mark any lien / pledge on such assets including but not limited to accounts where the securities and / or monies which are linked to his trading account are lying till such time that his account is fully settled with the Broker for all obligations.
- 8.5 This document is not a solicitation for and / or offer to buy / sell any investments and the Broker does not intend it to be used / disseminated or used in any jurisdiction where the services / facilities contemplated to be provided by the Broker to the Client are not permitted as per law as applicable. The Client is advised to ascertain that it is lawful for him under laws applicable to him to enter in the relationship with the Broker as contemplated under this document.
- 8.6 Any failure of Broker to enforce at any time any terms contained in this document shall not be construed to be the waiver of any terms or of the rights.
- 8.7 The Broker may grant / transfer to any person/ bank/ financial institution, for any purpose whatsoever, any of its rights and/or responsibilities under this document including the right to any amounts receivable by the Broker or any other rights and may grant/ transfer such rights by way of a sale or as discharge or as a security and any person to whom such rights are

granted / transferred shall be entitled to the full benefit of such rights.

- 8.8 The Broker and the Client shall also be entitled to terminate the relationship without giving any reasons to the other party, after giving notice in writing of not less than one month to the other party. Notwithstanding any termination, all rights, liabilities and obligations of the parties arising out of or in respect of transactions entered into prior to the termination of this document (or which are by nature subject to this document) shall continue to subsist and vest in /be binding on the respective parties or his / its respective heirs, executors, administrators, legal representatives or successors, as the case may be. Except where the laws / byelaws /rules provide otherwise, the Broker and client shall be subject to exclusive jurisdiction of courts of law at Delhi.
- 8.9 If any provisions of this Policy and Procedure document are held invalid or unenforceable by reason of any law, rule, administrative order or judicial decision by any court, or regulatory or self-regulatory agency or body, such invalidity or unenforceability shall attach only to such provision or terms held invalid. The validity of the remaining provisions and terms shall not be affected thereby and these terms shall be carried out as if any such invalid / unenforceable provisions or terms were not contained herein.

9. Disputes Redressal

- 9.1 The Broker and the Client agree that they shall refer any claim and / or difference and/or disputes to arbitration as per the rules, byelaws and regulations of the concerned exchange and circulars issued there under as may be in force from time to time.

Client confirms having read & accepted the terms & conditions of this document titled "Policies and Procedure" inter-alia comprising clauses 1 to 9 along with their sub-clauses and agrees to be bound by all of them.