

# TERMS AND CONDITIONS

**In these Terms and Conditions the terms shall have following meaning unless indicated otherwise:**

Bharat Bhushan Equity Traders Limited

Regd. & Corporate Office: 503, Rohit House, 3 Tolstoy Marg, New Delhi -110001

CIN No. - U74899DL1982PLC014259

Depository Divison: 503, Rohit House, 3 Tolstoy Marg, New Delhi -110001

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In case of any grievances please write to [compliance@bharatbhushan.com](mailto:compliance@bharatbhushan.com),  
[investorgrievance@bharatbhushan.com](mailto:investorgrievance@bharatbhushan.com)

Registration Numbers.

SEBI Registration No INZ000204433. NSE : TM No-07724, BSE : Clearing No-3029,  
Depository Participant : IN-DP-545-2021

Customer Care No. 011-41505504 E-mail : [ekychelpdesk@bharatbhushan.com](mailto:ekychelpdesk@bharatbhushan.com)

I hereby give my consent for receiving information including from KRA, CKYC, Exchanges, SEBI and BBETL through SMS/Email on the above registered number/email address. I hereby provide my consent for sharing / disclosed of the Aadhaar number(s) including demographic information with BBETL group of companies, SEBI, Exchanges, CKYC, KRA, Depositories and any other institutions / agencies as per requirement I/We confirm having read/been explained and understood the contents of the document on policy and procedures of the stock broker, tariff sheet and all voluntary/non-mandatory documents. I agree to receive All Demat and Trading statements of accounts in electronic mode. I hereby declare that I am not making this application for the purpose of contravention of any Act, Rules, Regulations or any statute of legislation or any notifications/directions issued by any governmental or statutory authority from time to time.

FATCA - CRS Terms and Conditions

I have read and understood the information requirements and the Terms & Conditions mentioned in this Form (read along with FATCA & CRS instructions) and hereby confirm that the information provided by me in KYC form is true, correct and complete. I hereby agree and confirm to inform BBETL for any modification to this information promptly.

I further agree to abide by the provisions of the scheme related documents inter alia provisions of FATCA & CRS on Automatic Exchange of Information (AEOI).

Rights and Obligations Document stating the Rights and Obligations of stock brokers/trading member, sub-broker and client for trading on Exchanges (including additional rights & obligations in case of internet/wireless technology based trading)

1. The client shall invest/trade in those securities/contracts/other instruments admitted to dealings on the Exchanges as defined in the Rules, Byelaws and Regulations of Exchanges/Securities and Exchange Board of India (SEBI) and circulars/notices issued there under from time to time.
2. The stock broker, sub-broker and the client shall be bound by all the Rules, Byelaws and Regulations of the Exchange and circulars/notices issued there under and Rules and Regulations of SEBI and relevant notifications of Government authorities as may be in force from time to time.
3. The client shall satisfy itself of the capacity of the stock broker to deal in securities and/or deal in derivatives contracts and wishes to execute its orders through the stock broker and the client shall from time to time continue to satisfy itself of such capability of the stock broker before executing orders through the stock broker.
4. The stock broker shall continuously satisfy itself about the genuineness and financial soundness of the client and investment objectives relevant to the services to be provided.
5. The stock broker shall take steps to make the client aware of the precise nature of the Stock broker's liability for business to be conducted, including any limitations, the liability and the capacity in which the stock broker acts.
6. The sub-broker shall provide necessary assistance and co-operate with the stock broker in all its dealings with the client(s).

#### CLIENT INFORMATION

7. The client shall furnish all such details in full as are required by the stock broker in "Account Opening Form" with supporting details, made mandatory by stock exchanges/SEBI from time to time.
8. The client shall familiarize himself with all the mandatory provisions in the Account Opening documents. Any additional clauses or documents specified by the stock broker shall be non-mandatory, as per terms & conditions accepted by the client.
9. The client shall immediately notify the stock broker in writing if there is any change in the information in the 'account opening form' as provided at the time of account opening and thereafter; including the information on winding up petition/insolvency petition or any litigation which may have material bearing on his capacity. The client shall provide/update the financial information to the stock broker on a periodic basis.
10. The stock broker and sub-broker shall maintain all the details of the client as mentioned in the account opening form or any other information pertaining to the client, confidentially and that they shall not disclose the same to any person/authority except as required under any law/regulatory requirements. Provided however that the stock broker may so disclose information about his client to any person or authority with the express permission of the client.

## MARGINS

11. The client shall pay applicable initial margins, withholding margins, special margins or such other margins as are considered necessary by the stock broker or the Exchange or as may be directed by SEBI from time to time as applicable to the segment(s) in which the client trades. The stock broker is

permitted in its sole and absolute discretion to collect additional margins (even though not required by the Exchange, Clearing House/Clearing Corporation or SEBI) and the client shall be obliged to pay such margins within the stipulated time.

12. The client understands that 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 settlement of its trade, be obliged to pay (or entitled to receive) such further sums as the contract may dictate/require.

## TRANSACTIONS AND SETTLEMENTS

13. The client shall give any order for buy or sell of a security/derivatives contract in writing or in such form or manner, as may be mutually agreed between the client and the stock broker. The stock broker shall ensure to place orders and execute the trades of the client, only in the Unique Client Code assigned to that client.

14. The stock broker shall inform the client and keep him apprised about trading/settlement cycles, delivery/payment schedules, any changes therein from time to time, and it shall be the responsibility in turn of the client to comply with such schedules/procedures of the relevant stock exchange where the trade is executed.

15. The stock broker shall ensure that the money/securities deposited by the client shall be kept in a separate account, distinct from his/its own account or account of any other client and shall not be used by the stock broker for himself/itself or for any other client or for any purpose other than the purposes mentioned in Rules, Regulations, circulars, notices, guidelines of SEBI and/or Rules, Regulations, Byelaws, circulars and notices of Exchange.

16. Where the Exchange(s) cancels trade(s) suo moto all such trades including the trade/s done on behalf of the client shall ipso facto stand cancelled, stock broker shall be entitled to cancel the respective contract(s) with client(s).

17. The transactions executed on the Exchange are subject to Rules, Byelaws and Regulations and circulars/notices issued there under of the Exchanges where the trade is executed and all parties to such trade shall have submitted to the jurisdiction of such court as may be specified by the Byelaws and Regulations of the Exchanges where the trade is executed for the purpose of giving effect to the provisions of the Rules, Byelaws and Regulations of the Exchanges and the circulars/notices issued there under.

## BROKERAGE

18. The Client shall pay to the stock broker brokerage and statutory levies as are prevailing from time to time and as they apply to the Client's account, transactions and to the services that stock broker renders to the Client. The stock broker shall not charge brokerage more than the maximum brokerage permissible as per the rules, regulations and bye-laws of the relevant stock exchanges and/or rules and regulations of SEBI. Tariff charges will be same as applicable in your existing code else standard Brokerage will be applicable

## LIQUIDATION AND CLOSE OUT OF POSITION

19. without prejudice to the stock broker's other rights (including the right to refer a matter to arbitration), the client understands that the stock broker

shall be entitled to liquidate/close out all or any of the client's positions for non-payment of margins or other amounts, outstanding debts, etc. and adjust the proceeds of such liquidation/close out, if any, against the client's liabilities/obligations. Any and all losses and financial charges on account of such liquidation/closing-out shall be charged to and borne by the client.

20. In the event of death or insolvency of the client or his/its otherwise becoming incapable of receiving and paying for or delivering or transferring securities which the client has ordered to be bought or sold, stock broker may close out the transaction of the client and claim losses, if any, against the estate of the client. The client or his nominees, successors, heirs and assignee shall be entitled to any surplus which may result there from. The client shall note that transfer of funds/securities in favor of a Nominee shall be valid discharge by the stock broker against the legal heir.

21. The stock broker shall bring to the notice of the relevant Exchange the information about default in payment/delivery and related aspects by a client. 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, shall also be communicated by the stock broker to the relevant Exchange(s).

#### DISPUTE RESOLUTION

22. The stock broker shall provide the client with the relevant contact details of the concerned Exchanges and SEBI.

23. The stock broker shall co-operate in redressing grievances of the client in respect of all transactions routed through it and in removing objections for bad delivery of shares, rectification of bad delivery, etc.

24. The client and the stock broker shall refer any claims and/or disputes with respect to deposits, margin money, etc., to arbitration as per the Rules, Byelaws and Regulations of the Exchanges where the trade is executed and circulars/notices issued there under as may be in force from time to time.

25. The stock broker shall ensure faster settlement of any arbitration proceedings arising out of the transactions entered into between him vis-à-vis the client and he shall be liable to implement the arbitration awards made in such proceedings.

26. The client/stock-broker understands that the instructions issued by an authorized representative for dispute resolution, if any, of the client/stock-broker shall be binding on the client/stock-broker in accordance with the letter authorizing the said representative to deal on behalf of the said client/stock-broker.

#### TERMINATION OF RELATIONSHIP

27. This relationship between the stock broker and the client shall be terminated; if the stock broker for any reason ceases to be a member of the stock exchange including cessation of membership by reason of the stock broker's default, death, resignation or expulsion or if the certificate is cancelled by the Board.

28. The stock broker, sub-broker and the client shall be entitled to terminate the relationship between them without giving any reasons to the other party, after giving notice in

writing of not less than one month to the other parties. Notwithstanding any such 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 relationship 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.

29. In the event of demise/insolvency of the sub-broker or the cancellation of his/its registration with the Board or/withdrawal of recognition of the sub-broker by the stock exchange and/or termination of the agreement with the sub-broker by the stock broker, for any reason whatsoever, the client shall be informed of such termination and the client shall be deemed to be the direct client of the stock broker and all clauses in the 'Rights and Obligations' document(s) governing the stock broker, sub-broker and client shall continue to be in force as it is, unless the client intimates to the stock broker his/its intention to terminate their relationship by giving a notice in writing of not less than one month.

#### ADDITIONAL RIGHTS AND OBLIGATIONS

30. The stock broker shall ensure due protection to the client regarding client's rights to dividends, rights or bonus shares, etc. in respect of transactions routed through it and it shall not do anything which is likely to harm the interest of the client with whom and for whom they may have had transactions in securities.

31. The stock broker and client shall reconcile and settle their accounts from time to time as per the Rules, Regulations, Bye Laws, Circulars, Notices and Guidelines issued by SEBI and the relevant Exchanges where the trade is executed.

32. The stock broker shall issue a contract note to his constituents for trades executed in such format as may be prescribed by the Exchange from time to time containing records of all transactions including details of order number, trade number, trade time, trade price, trade quantity, details of the derivatives contract, client code, brokerage, all charges levied etc. and with all other relevant details as required therein to be filled in and issued in such manner and within such time as prescribed by the Exchange. The stock broker shall send contract notes to the investors within one working day of the execution of the trades in hard copy and/or in electronic form using digital signature.

33. The stock broker shall make pay out of funds or delivery of securities, as the case may be, to the Client within one working day of receipt of the payout from the relevant Exchange where the trade is executed unless otherwise specified by the client and subject to such terms and conditions as may be prescribed by the relevant Exchange from time to time where the trade is executed.

34. The stock broker shall send a complete 'Statement of Accounts' for both funds and securities in respect of each of its clients in such periodicity and format within such time, as may be prescribed by the relevant Exchange, from time to time, where the trade is executed. The Statement shall also state that the client shall report errors, if any, in the Statement within such time as may be prescribed by the relevant Exchange from time to time where the trade was executed, from the receipt thereof to the Stock broker.

35. The stock broker shall send daily margin statements to the clients. Daily Margin statement should include, inter-alia, details of collateral deposited, collateral utilized and collateral status (available balance/due from client)

with break up in terms of cash, Fixed Deposit Receipts (FDRs), Bank Guarantee and securities.

36. The Client shall ensure that it has the required legal capacity to, and is authorized to, enter into the relationship with stock broker and is capable of performing his obligations and undertakings hereunder. All actions required to be taken to ensure compliance of all the transactions, which the Client may enter into shall be completed by the Client prior to such transaction being entered into.

#### ELECTRONIC CONTRACT NOTES (ECN)

37. In case, client opts to receive the contract note in electronic form, he shall provide an appropriate email id to the stock broker. The client shall communicate to the stock broker any change in the email-id through a physical letter. If the client has opted for internet trading, the request for change of email id may be made through the secured access by way of client specific user id and password.

38. The stock broker shall ensure that all ECNs sent through the e-mail shall be digitally signed, encrypted, non-tamper able and in compliance with the provisions of the IT Act, 2000. In case, ECN is sent through email as an attachment, the attached file shall also be secured with the digital signature, encrypted and nontamperable.

39. The client shall note that non-receipt of bounced mail notification by the stock broker shall amount to delivery of the contract note at the e-mail ID of the client.

40. The stock broker shall retain ECN and acknowledgement of the e-mail in a soft and non-tamperable form in the manner prescribed by the exchange in compliance with the provisions of the IT Act, 2000 and as per the extant rules/regulations/circulars/guidelines issued by SEBI/Stock Exchanges from time to time. The proof of delivery i.e., log report generated by the system at the time of sending the contract notes shall be maintained by the stock broker for the specified period under the extant regulations of SEBI/stock exchanges. The log report shall provide the details of the contract notes that are not delivered to the client/e-mails rejected or bounced back. The stock broker shall take all possible steps to ensure receipt of notification of bounced mails by him at all times within the stipulated time period under the extant regulations of SEBI/stock exchanges.

41. The stock broker shall continue to send contract notes in the physical mode to such clients who do not opt to receive the contract notes in the electronic form. Wherever the ECNs have not been delivered to the client or has been rejected (bouncing of mails) by the e-mail ID of the client, the stock broker

shall send a physical contract note to the client within the stipulated time under the extant regulations of SEBI/stock exchanges and maintain the proof of delivery of such physical contract notes.

42. In addition to the e-mail communication of the ECNs to the client, the stock broker shall simultaneously publish the ECN on his designated web-site, if any, in a secured way and enable relevant access to the clients and for this purpose, shall allot a unique user name and password to the client, with an option to the client to save the contract note electronically and/or take a print out of the same.

#### LAW AND JURISDICTION

43. In addition to the specific rights set out in this document, the stock broker, sub-broker and the client shall be entitled to exercise any other rights which the stock broker or

the client may have under the Rules, Bye-laws and Regulations of the Exchanges in which the client chooses to trade and circulars/notices issued there under or Rules and Regulations of SEBI.

44. The provisions of this document shall always be subject to Government notifications, any rules, regulations, guidelines and circulars/notices issued by SEBI and Rules, Regulations and Bye laws of the relevant stock exchanges, where the trade is executed, that may be in force from time to time.

45. The stock broker and the client shall abide by any award passed by the Arbitrator(s) under the Arbitration and Conciliation Act, 1996. However, there is also a provision of appeal within the stock exchanges, if either party is not satisfied with the arbitration award.

46. Words and expressions which are used in this document but which are not defined herein shall, unless the context otherwise requires, have the same meaning as assigned thereto in the Rules, Byelaws and Regulations and circulars/notices issued there under of the Exchanges/SEBI.

47. All additional voluntary clauses/document added by the stock broker should not be in contravention with rules/regulations/notices/circulars of Exchanges/SEBI. Any changes in such voluntary clauses/document(s) need to be preceded by a notice of 15 days. Any changes in the rights and obligations which are specified by Exchanges/SEBI shall also be brought to the notice of the clients.

48. If the rights and obligations of the parties hereto are altered by virtue of change in Rules and regulations of SEBI or Bye-laws, Rules and Regulations of the relevant stock Exchanges where the trade is executed, such changes shall be deemed to have been incorporated herein in modification of the rights and obligations of the parties mentioned in this document.

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#### INTERNET & WIRELESS TECHNOLOGY BASED TRADING FACILITY PROVIDED BY STOCK BROKERS TO CLIENT

(All the clauses mentioned in the 'Rights and Obligations' document(s) shall be applicable. Additionally, the clauses mentioned herein shall also be applicable.)

1. Stock broker is eligible for providing Internet based trading (IBT) and securities trading through the use of wireless technology that shall include the use of devices such as mobile phone, laptop with data card, etc. which use Internet Protocol (IP). The stock broker shall comply with all requirements applicable to internet based trading/securities trading using wireless technology as may be specified by SEBI & the Exchanges from time to time.

2. The client is desirous of investing/trading in securities and for this purpose, the client is desirous of using either the internet based trading facility or the facility for securities trading through use of wireless technology. The Stock broker shall provide the Stock broker's IBT Service to the Client, and the Client shall avail of the Stock broker's IBT Service, on and subject to SEBI/Exchanges Provisions and the terms and conditions specified on the Stock

broker's IBT Web Site provided that they are in line with the norms prescribed by Exchanges/SEBI.

3. The stock broker shall bring to the notice of client the features, risks, responsibilities, obligations and liabilities associated with securities trading through wireless technology/internet/smart order routing or any other technology should be brought to the notice of the client by the stock broker.

4. The stock broker shall make the client aware that the Stock Broker's IBT system itself generates the initial password and its password policy as stipulated in line with norms prescribed by Exchanges/SEBI.

5. The Client shall be responsible for keeping the Username and Password confidential and secure and shall be solely responsible for all orders entered and transactions done by any person whosoever through the Stock broker's IBT System using the Client's Username and/or Password whether or not such person was authorized to do so. Also the client is aware that authentication technologies and strict security measures are required for the internet trading/securities trading through wireless technology through order routed system and undertakes to ensure that the password of the client and/or his

authorized representative are not revealed to any third party including employees and dealers of the stock broker

6. The Client shall immediately notify the Stock broker in writing if he forgets his password, discovers security flaw in Stock Broker's IBT System, discovers/suspects discrepancies/ unauthorized access through his username/password/account with full details of such unauthorized use, the date, the manner and the transactions effected pursuant to such unauthorized use, etc.

7. The Client is fully aware of and understands the risks associated with availing of a service for routing orders over the internet/securities trading through wireless technology and Client shall be fully liable and responsible for any and all acts done in the Client's Username/password in any manner whatsoever.

8. The stock broker shall send the order/trade confirmation through email to the client at his request. The client is aware that the order/ trade confirmation is also provided on the web portal. In case client is trading using wireless technology, the stock broker shall send the order/trade confirmation on the device of the client.

9. The client is aware that trading over the internet involves many uncertain factors and complex hardware, software, systems, communication lines, peripherals, etc. are susceptible to interruptions and dislocations. The Stock broker and the Exchange do not make any representation or warranty that the Stock broker's IBT Service will be available to the Client at all times without any interruption.

10. The Client shall not have any claim against the Exchange or the Stock broker on account of any suspension, interruption, non-availability or malfunctioning of the Stock broker's IBT System or Service or the Exchange's service or systems or non- execution of his orders due to any link/system failure at the Client/Stock brokers/Exchange end for any reason beyond the control of the stock broker/Exchanges.

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**RISK DISCLOSURE DOCUMENT FOR CAPITAL MARKET AND DERIVATIVES  
SEGMENTS**



This document contains important information on trading in Equities/Derivatives Segments of the stock exchanges. All prospective constituents should read this document before trading in Equities/Derivatives Segments of the Exchanges.

Stock exchanges/SEBI does neither singly or jointly and expressly nor impliedly guarantee nor make any representation concerning the completeness, the adequacy or accuracy of this disclosure document nor have Stock exchanges /SEBI endorsed or passed any merits of participating in the trading segments. This brief statement does not disclose all the risks and other significant aspects of trading.

In the light of the risks involved, you should undertake transactions only if you understand the nature of the relationship into which you are entering and the extent of your exposure to risk.

You must know and appreciate that trading in Equity shares, derivatives contracts or other instruments traded on the Stock Exchange, which have varying element of risk, is generally not an appropriate avenue for someone of limited resources/limited investment and/or trading experience and low risk tolerance. You should therefore carefully consider whether such trading is suitable for you in the light of your financial condition. In case you trade on Stock exchanges and suffer adverse consequences or loss, you shall be solely responsible for the same and Stock exchanges/its Clearing Corporation and/or SEBI shall not be responsible, in any manner whatsoever, for the same and it will not be open for you to take a plea that no adequate disclosure regarding the risks involved was made or that you were not explained the full risk involved by the concerned stock broker. The constituent shall be solely responsible for the consequences and no contract can be rescinded on that account. You must acknowledge and accept that there can be no guarantee of profits or no exception from losses while executing orders for purchase and/or sale of a derivative contract being traded on Stock exchanges.

It must be clearly understood by you that your dealings on Stock exchanges through a stock broker shall be subject to your fulfilling certain formalities set out by the stock broker, which may inter alia include your filling the know your client form, reading the rights and obligations, do's and don'ts, etc., and are subject to the Rules, Byelaws and Regulations of relevant Stock exchanges, its Clearing Corporation, guidelines prescribed by SEBI and in force from time to time and Circulars as may be issued by Stock exchanges or its Clearing Corporation and in force from time to time.

Stock exchanges does not provide or purport to provide any advice and shall not be liable to any person who enters into any business relationship with any stock broker of Stock exchanges and/or any third party based on any information contained in this document. Any information contained in this document must not be construed as business advice. No consideration to trade should be made without thoroughly understanding and reviewing the risks involved in such trading. If you are unsure, you must seek professional advice on the same.

In considering whether to trade or authorize someone to trade for you, you should be aware of or must get acquainted with the following :

1. BASIC RISKS :

1.1 Risk of Higher Volatility:

Volatility refers to the dynamic changes in price that a security/derivatives contract undergoes when trading activity continues on the Stock Exchanges. Generally, higher the volatility of a security/derivatives contract, greater is its price swings. There may be normally greater

volatility in thinly traded securities / derivatives contracts than in active securities / derivatives contracts. As a result of volatility, your order may only be partially executed or not executed at all, or the price at which your order got executed may be substantially different from the last traded price or change substantially thereafter, resulting in notional or real losses.

## 1.2 Risk of Lower Liquidity:

Liquidity refers to the ability of market participants to buy and/or sell securities / derivatives contracts expeditiously at a competitive price and with minimal price difference. Generally, it is assumed that more the numbers of orders available in a market, greater is the liquidity. Liquidity is important because with greater liquidity, it is easier for investors to buy and/or sell securities / derivatives contracts swiftly and with minimal price difference, and as a result, investors are more likely to pay or receive a competitive price for securities / derivatives contracts purchased or sold. There may be a risk of lower liquidity in some securities / derivatives contracts as compared to active securities / derivatives contracts. As a result, your order may only be partially executed, or may be executed with relatively greater price difference or may not be executed at all.

1.2.1 Buying or selling securities / derivatives contracts as part of a day trading strategy may also result into losses, because in such a situation, securities / derivatives contracts may have to be sold / purchased at low / high prices, compared to the expected price levels, so as not to have any open position or obligation to deliver or receive a security / derivatives contract.

## 1.3 Risk of Wider Spreads:

Spread refers to the difference in best buy price and best sell price. It represents the differential between the price of buying a security / derivatives contract and immediately selling it or vice versa. Lower liquidity and higher volatility may result in wider than normal spreads for less liquid or illiquid securities / derivatives contracts. This in turn will hamper better price formation.

## 1.4 Risk-reducing orders:

The placing of orders (e.g., "stop loss" orders, or "limit" orders) which are intended to limit losses to certain amounts may not be effective many a time because rapid movement in market conditions may make it impossible to execute such orders.

1.4.1 A "market" order will be executed promptly, subject to availability of orders on opposite side, without regard to price and that, while the customer may receive a prompt execution of a "market" order, the execution may be at available prices of outstanding orders, which satisfy the order quantity, on price time priority. It may be understood that these prices may be significantly different from the last traded price or the best price in that security / derivatives contract.

1.4.2 A "limit" order will be executed only at the "limit" price specified for the order or a better price. However, while the customer receives price protection, there is a possibility that the order may not be executed at all.

1.4.3 A stop loss order is generally placed "away" from the current price of a stock / derivatives contract, and such order gets activated if and when the security / derivatives contract reaches, or trades through, the stop price. Sell stop orders are entered ordinarily below the current price, and buy stop orders are entered ordinarily above the current price. When the security / derivatives contract reaches the pre -determined price, or trades through such price, the stop loss order converts to a market/limit order and is executed at the limit or better. There is no assurance therefore that the limit order will be executable since a security / derivatives contract might penetrate the pre-determined price, in which case, the risk of such order not getting executed arises, just as with a regular limit order.

#### 1.5 Risk of News Announcements:

News announcements that may impact the price of stock / derivatives contract may occur during trading, and when combined with lower liquidity and higher volatility, may suddenly cause an unexpected positive or negative movement in the price of the security / contract.

#### 1.6 Risk of Rumors:

Rumors about companies / currencies at times float in the market through word of mouth, newspapers, websites or news agencies, etc. The investors should be wary of and should desist from acting on rumors.

#### 1.7 System Risk:

High volume trading will frequently occur at the market opening and before market close. Such high volumes may also occur at any point in the day. These may cause delays in order execution or confirmation.

1.7.1 During periods of volatility, on account of market participants continuously modifying their order quantity or prices or placing fresh orders, there may be delays in order execution and its confirmations.

1.7.2 Under certain market conditions, it may be difficult or impossible to liquidate a position in the market at a reasonable price or at all, when there are no outstanding orders either on the buy side or the sell side, or if trading is halted in a security / derivatives contract due to any action on account of unusual trading activity or security / derivatives contract hitting circuit filters or for any other reason.

#### 1.8 System/Network Congestion:

Trading on exchanges is in electronic mode, based on satellite/leased line based communications, combination of technologies and computer systems to place and route orders. Thus, there exists a possibility of communication failure or system problems or slow or delayed response from system or trading halt, or any such other problem/glitch whereby not being able to establish access to the trading system/network, which may be beyond control and may result in delay in processing or not processing buy or sell orders either in part or in full. You are cautioned to note that although these problems may be temporary in nature, but when you have outstanding open positions or unexecuted orders, these represent a risk because of your obligations to settle all executed transactions.

2. As far as Derivatives segments are concerned, please note and get yourself acquainted with the following additional features :

#### 2.1 Effect of "Leverage" or "Gearing":

In the derivatives market, the amount of margin is small relative to the value of the derivatives contract so the transactions are 'leveraged' or 'geared'. Derivatives trading, which is conducted with a relatively small amount of margin, provides the possibility of great profit or loss in comparison with the margin amount. But transactions in derivatives carry a high degree of risk. You should therefore completely understand the following statements before actually trading in derivatives and also trade with caution while taking into account one's circumstances, financial resources, etc. If the prices move against you, you may lose a part of or whole margin amount in a relatively short period of time. Moreover, the loss may exceed the original margin amount.

A. Futures trading involve daily settlement of all positions. Every day the open positions are marked to market based on the closing level of the index / derivatives contract. If the contract has moved against you, you will be required to deposit the amount of loss (notional) resulting from such movement. This amount will have to be paid within a stipulated time frame, generally before commencement of trading on next day.

B. If you fail to deposit the additional amount by the deadline or if an outstanding debt occurs in your account, the stock broker may liquidate a part of or the whole position or substitute securities. In this case, you will be liable for any losses incurred due to such close-outs.

C. Under certain market conditions, an investor may find it difficult or impossible to execute transactions. For example, this situation can occur due to factors such as illiquidity i.e. when there are insufficient bids or offers or suspension of trading due to price limit or circuit breakers etc.

D. In order to maintain market stability, the following steps may be adopted: changes in the margin rate, increases in the cash margin rate or others. These new measures may also be applied to the existing open interests. In such conditions, you will be required to put up additional margins or reduce your positions.

E. You must ask your broker to provide the full details of derivatives contracts you plan to trade i.e. the contract specifications and the associated obligations.

## 2.2 Currency specific risks:

1. The profit or loss in transactions in foreign currency- denominated contracts, whether they are traded in your own or another jurisdiction, will be affected by fluctuations in currency rates where there is a need to convert from the currency denomination of the contract to another currency.

2. Under certain market conditions, you may find it difficult or impossible to liquidate a position. This can occur, for example when a currency is deregulated or fixed trading bands are widened.

3. Currency prices are highly volatile. Price movements for currencies are influenced by, among other things: changing supply-demand relationships; trade, fiscal, monetary, exchange control programs and policies of governments; foreign political and economic events and policies; changes in national and

international interest rates and inflation; currency devaluation; and sentiment of the market place. None of these factors can be controlled by any individual advisor and no assurance can be given that an advisor's advice will result in profitable trades for a participating customer or that a customer will not incur losses from such events.

### 2.3 Risk of Option holders:

1. An option holder runs the risk of losing the entire amount paid for the option in a relatively short period of time. This risk reflects the nature of an option as a wasting asset which becomes worthless when it expires. An option holder who neither sells his option in the secondary market nor exercises it prior to its expiration will necessarily lose his entire investment in the option. If the price of the underlying does not change in the anticipated direction before the option expires, to an extent sufficient to cover the cost of the option, the investor may lose all or a significant part of his investment in the option.
2. The Exchanges may impose exercise restrictions and have absolute authority to restrict the exercise of options at certain times in specified circumstances.

### 2.4 Risks of Option Writers:

1. If the price movement of the underlying is not in the anticipated direction, the option writer runs the risks of losing substantial amount.
2. The risk of being an option writer may be reduced by the purchase of other options on the same underlying interest and thereby assuming a spread position or by acquiring other types of hedging positions g a spread position or by acquiring other types of hedging positions in the options markets or other markets. However, even where the writer has assumed a spread or other hedging position, the risks may still be significant. A spread position is not necessarily less risky than a simple 'long' or 'short' position.
3. Transactions that involve buying and writing multiple options in combination, or buying or writing options in combination with buying or selling short the underlying interests, present additional risks to investors. Combination transactions, such as option spreads, are more complex than buying or writing a single option. And it should be further noted that, as in any area of investing, a complexity not well understood is, in itself, a risk factor. While this is not to suggest that combination strategies should not be considered, it is advisable, as is the case with all investments in options, to consult with someone who is experienced and knowledgeable with respect to the risks and potential rewards of combination transactions under various market circumstances.

### 3. TRADING THROUGH WIRELESS TECHNOLOGY/ SMART ORDER ROUTING OR ANY OTHER

#### TECHNOLOGY:

Any additional provisions defining the features, risks, responsibilities, obligations and liabilities associated with securities trading through wireless technology/ smart order routing or any other technology should be brought to the notice of the client by the stock broker.

#### 4. GENERAL

- 4.1 The term 'constituent' shall mean and include a client, a customer or an investor, who deals with a stock broker for the purpose of acquiring and/or selling of securities / derivatives contracts through the mechanism provided by the Exchanges.
- 4.2 The term 'stock broker' shall mean and include a stock broker, a broker or a stock broker, who has been admitted as such by the Exchanges and who holds a registration certificate from SEBI.

## ADDITIONAL RISK DISCLOSURE DOCUMENTS FOR OPTIONS TRADING

### Risk of Option holders:

1. An option holder runs the risk of losing the entire amount paid for the option in a relatively short period of time. This risk reflects the nature of an option as a wasting asset which becomes worthless when it expires. An option holder who neither sells his option in the secondary market nor exercises it prior to its expiration will necessarily lose his entire investment in the option. If the price of the underlying does not change in the anticipated direction before the option expires, to an extent sufficient to cover the cost of the option, the investor may lose all or a significant part of his investment in the option.
2. The Exchanges may impose exercise restrictions and have absolute authority to restrict the exercise of options at certain times in specified circumstances.

### Risks of Option Writers:

1. If the price movement of the underlying is not in the anticipated direction, the option writer runs the risks of losing substantial amount.
2. The risk of being an option writer may be reduced by the purchase of other options on the same underlying interest and thereby assuming a spread position or by acquiring other types of hedging positions in the options markets or other markets. However, even where the writer has assumed a spread or other hedging position, the risks may still be significant. A spread position is not necessarily less risky than a simple 'long' or 'short' position.
3. Transactions that involve buying and writing multiple options in combination, or buying or writing options in combination with buying or selling short the underlying interests, present additional risks to investors. Combination transactions, such as option spreads, are more complex than buying or writing a single option. And it should be further noted that, as in any area of investing, a complexity not well understood is, in itself, a risk factor. While this is not to suggest that combination strategies should not be considered, it is advisable, as is the case with all investments in options, to consult with someone who is experienced and knowledgeable with respect to the risks and potential rewards of combination transactions under various market circumstances.

## GUIDANCE NOTE - DO'S AND DON'Ts FOR TRADING ON THE EXCHANGE(S) FOR INVESTORS

### A. BEFORE YOU BEGIN TO TRADE

1. Ensure that you deal with and through only SEBI registered intermediaries. You may check their SEBI registration certificate number from the list available on the Stock exchanges website [www.nseindia.com](http://www.nseindia.com), [www.bseindia.com](http://www.bseindia.com), [www.msei.in](http://www.msei.in) and SEBI website [www.sebi.gov.in](http://www.sebi.gov.in).
2. Ensure that you fill the KYC form completely and strike off the blank fields in the KYC form.

3. Ensure that you have read all the mandatory documents viz. Rights and Obligations, Risk Disclosure Document, Policy and Procedure document of the stock broker.
4. Ensure to read, understand and then sign the voluntary clauses, if any, agreed between you and the stock broker. Note that the clauses as agreed between you and the stock broker cannot be changed without your consent.
5. Get a clear idea about all brokerage, commissions, fees and other charges levied by the broker on you for trading and the relevant provisions/ guidelines specified by SEBI/Stock exchanges.
6. Obtain a copy of all the documents executed by you from the stock broker free of charge.
7. In case you wish to execute Power of Attorney (POA) in favour of the Stock broker, authorizing it to operate your bank and demat account, please refer to the guidelines issued by SEBI/Exchanges in this regard

## B. TRANSACTIONS AND SETTLEMENTS

8. The stock broker may issue electronic contract notes (ECN) if specifically authorized by you in writing. You should provide your email id to the stock broker for the same. Don't opt for ECN if you are not familiar with computers.
9. Don't share your internet trading account's password with anyone.
10. Don't make any payment in cash to the stock broker.
11. Make the payments by account payee cheque in favour of the stock broker. Don't issue cheques in the name of sub-broker. Ensure that you have a documentary proof of your payment/deposit of securities with the stock broker, stating date, scrip, quantity, towards which bank/ demat account such money or securities deposited and from which bank/ demat account.
12. Note that facility of Trade Verification is available on stock exchanges' websites, where details of trade as mentioned in the contract note may be verified. Where trade details on the website do not tally with the details mentioned in the contract note, immediately get in touch with the Investors Grievance Cell of the relevant Stock exchange.
13. In case you have given specific authorization for maintaining running account, payout of funds or delivery of securities (as the case may be), may not be made to you within one working day from the receipt of payout from the Exchange. Thus, the stock broker shall maintain running account for you subject to the following conditions:
  - a) Such authorization from you shall be dated, signed by you only and contains the clause that you may revoke the same at any time.
  - b) The actual settlement of funds and securities shall be done by the stock broker, at least once in a calendar quarter or month, depending on your preference. While settling the account, the stock broker shall send to you a 'statement of accounts' containing an extract from the client ledger for funds and an extract from the register of securities displaying all the receipts/deliveries of funds and securities. The statement shall also explain the retention of funds and securities and the details of the pledged shares, if any.

c) On the date of settlement, the stock broker may retain the requisite securities/funds towards outstanding obligations and may also retain the funds expected to be required to meet derivatives margin obligations for next 5 trading days, calculated in the manner specified by the exchanges. In respect of cash market transactions, the stock broker may retain entire pay-in obligation of funds and securities due from clients as on date of settlement and for next day's business, he may retain funds/securities/margin to the extent of value of transactions executed on the day of such settlement in cash market.

d) You need to bring any dispute arising from the statement of account or settlement so made to the notice of the stock broker in writing preferably within 7 (seven) working days from the date of receipt of funds/securities or statement, as the case may be. In case of dispute, refer the matter in writing to the Investors Grievance Cell of the relevant Stock exchanges without delay.

14. In case you have not opted for maintaining running account and pay-out of funds/securities is not received on the next working day of the receipt of payout from the exchanges, please refer the matter to the stock broker. In case there is dispute, ensure that you lodge a complaint in writing immediately with the Investors Grievance Cell of the relevant Stock exchange.

15. Please register your mobile number and email id with the stock broker, to receive trade confirmation alerts/ details of the transactions through SMS or email, by the end of the trading day, from the stock exchanges.

#### C. IN CASE OF TERMINATION OF TRADING MEMBERSHIP

16. In case, a stock broker surrenders his membership, is expelled from membership or declared a defaulter; Stock exchanges give a public notice inviting claims relating to only the "transactions executed on the trading system" of Stock exchange, from the investors. Ensure that you lodge a claim with the relevant Stock exchanges within the stipulated period and with the supporting documents.

17. Familiarize yourself with the protection accorded to the money and/or securities you may deposit with your stock broker, particularly in the event of a default or the stock broker's insolvency or bankruptcy and the extent to which you may recover such money and/or securities may be governed by the Bye-laws and Regulations of the relevant Stock exchange where the trade was executed and the scheme of the Investors' Protection Fund in force from time to time.

#### D. DISPUTES/ COMPLAINTS

18. Please note that the details of the arbitration proceedings, penal action against the brokers and investor complaints against the stock brokers are displayed on the website of the relevant Stock exchange.

19. In case your issue/problem/grievance is not being sorted out by concerned stock broker/sub-broker then you may take up the matter with the concerned Stock exchange. If you are not satisfied with the resolution of your complaint then you can escalate the matter to SEBI.

20. Note that all the stock broker/sub-brokers has been mandated by SEBI to designate an e-mail ID of the grievance redressal division/compliance officer exclusively for the purpose of registering complaints.

#### POLICIES & PROCEDURES



## 1. PENNY STOCKS

A Stock that trades at a relatively low market price with low market capitalization, these stocks are generally considered to be highly speculative and risky because of their lack of liquidity, large bid-ask spreads, small capitalization and limited following and disclosures. Depending on the market condition and our RMS (Risk Management & Surveillance) policy, RMS reserves the right to provide the limit in Penny Stock and losses if any on account of such refusal shall be borne by the client.

## 2. SETTING UP CLIENT'S TRADING LIMITS

The stock broker may from time to time impose and vary limits on the orders that the client can place through the stock 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 agree that the stock broker may need to vary or reduce the limits or impose new limits urgently on the basis of the stock broker's risk perception and other factors considered relevant by the stock broker including but not limited to limits on account of exchange/SEBI directions

/limits ( such as broker level/market level limits in security specific/volume specific exposures etc.) and the stock broker shall not be responsible for such variation, reduction or imposition in advance. The client agrees that the stock broker shall not be responsible for such variation, reduction or imposition or the client's inability to route any order through the stock broker's trading system on account of any such variation, reduction or imposition of limits. The client agrees that the Stock Broker may at any time at its sole discretion and without prior notice, prohibit or restrict the client ability to place any order or trade in securities through the stock Broker or it may subject to any order placed by the client to review before its entry into the trading system and may refuse to execute/allow execution of any order due to but not limited to the reason of lack of Margin/securities or the order being outside the limits set by the Stock Broker/Exchange/SEBI and any other reason which the stock Broker deems appropriate in the circumstances. The client agrees that the losses, if any, on account of such refusal or due to delay caused by such refusal or due to delay caused by such review shall be borne exclusively by the client alone. We have margined based RMS System. Total deposit of the client are uploaded in the system and the client may take exposure on the basis of applicable margin for the respective security as per the VAR based margining system of the Stock Exchange and/or margin defined by the RMS based on their Risk perception. Client may take the benefit of "credit for sale" i.e., benefit of shares held in margin by selling the same by selecting delivery option through order entry window in the trading system, the value of the shares sold will be added with the value of deposit and on the basis of that, client may take fresh exposure. In case of exposure taken on the basis of shares margin, the payment is required to be made before the exchange pay-in date otherwise it will be liable to square off after the pay-in time or any time due to shortage of Margin.

## 3. CONDITION UNDER WHICH A CLIENT MAY NOT BE ALLOWED TO TAKE FURTHER POSITION OR THE BROKER MAY CLOSE THE EXISTING POSITION OF A CLIENT

The stock broker has margin based RMS system. Client may take exposure

up to the amount of margin available with us. Client may not be allowed to take position in case of non- availability/shortage of margin as per RMS policy of the company. The existing

position of the client is also liable to square off/close out without prior giving notice due to shortage of margin/non making of payment for their pay-in obligation/ outstanding debts.

#### 4. APPLICABLE BROKERAGE RATE

Brokerage will be charged within the limits prescribed by SEBI/Exchanges.

5. IMPOSITION OF PENALTY/DELAYED PAYMENT CHARGES Clients will be liable to pay late pay in/delayed payment charges for not making payment of their paying/margin obligation on time as per the

exchange requirement/schedule at the rate of 2% per month. The client

agree that the Stock broker may impose fine and penalties for the order/ trades/margin/deals/ actions of the clients which is contrary to these agreement/rules/regulations/bye laws of the exchange or any other law for the time being in force at such rates and in such form as it may deem fit. Further where the stock 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.

#### 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 DUE

Without prejudice to the stock brokers other right (Including the right to refer the matter to arbitration), the stock broker shall be entitled to liquidate/close out all or any of the clients position without giving notice to the client for non-payment of margins or other amounts including the pay in obligation, outstanding debts etc and adjust the proceeds of such liquidation/close out, if any, against the clients liabilities/obligations. The client shall ensure timely availability of funds/securities in form and manner at designated time and in designated bank and depository account(s), for meeting his/her/its pay in obligation of funds and securities. Any and all losses and financial charges on account of such liquidations/closing out shall be charged to & born by the client. In case of securities lying in margin account/client beneficiary account and having corporate actions like Bonus, Stock split, Right issue etc, for margin or other purpose the benefit of shares due to received under Bonus, Stock Split, Right issue etc will be given when the shares is actually received in the stock broker designated demat account. In case the payment of the margin/security is made by the client through a bank instrument, the stock broker shall be at liberty to give the benefit/credit for the same only on the realization of the funds from the said bank instrument etc, at the absolute discretion of the stock broker. Where the margin/security is made available by way of securities or any other property, the stock broker is empowered to decline its acceptance as margin / security &/or to accept it at such reduced value as the stock broker may deem fit by applying haircuts or by valuing it by making it to market or by any other method as the stock broker may deem fit in its absolute discretion. The stock broker has the right but not the obligation, to cancel all pending orders and to sell/close/liquidate all open positions/securities/shares at the pre-defined square off time or when

Market to Market (M-T-M) percentage reaches or crosses stipulated margin. The stock broker will have sole discretion to decide referred stipulated margin percentage depending upon the market condition. In the event of such square off, the client agrees to bear all the losses based on actual executed prices, the client shall also be solely liable for all and any penalties and charge levied by the exchange(s).

## 7. SHORTAGES IN OBLIGATION ARISING OUT OF INTERNAL NETTING OF TRADES

Stock 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 stock 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 obligation first. The policy and procedure for settlement of shortages in obligations arising out of internal meeting of trades is as under:

- a) 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 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.
- b) 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+3 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.
- c) In case 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 auctioned on cum basis or where the cum basis action payout is after the book closure/record date, would be compulsory 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. CONDITIONS UNDER WHICH A CLIENT MAY NOT BE ALLOWED TO TAKE FURTHER POSITION OR THE BROKER MAY CLOSE THE EXISTING POSITION OF A CLIENT

We have margin based RMS system. Client may take exposure up to the amount of margin available with us. Client may not be allowed to take position in case of non-availability/shortage of margin as per our RMS policy of the company. The existing position of the client clear balance is also liable to square off/close out without giving notice due to shortage of margin/non/making of payment for their pay-in obligation/outstanding debts.

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

On the request of the client in writing, the client account can be suspended temporarily and same can be activated on the written request of the client only. During the period client account is suspended, the market transaction in the client account will be prohibited. However client shares/ledger balance settlement can take place. On the request of the client in writing, the client account can be closed provided the client account is settled. If the client wants to reopen the account in that case client has to again complete the KYC requirement. Stock Broker as a protective measure and also good

governance carries out internal checks on the transactional activities in the clients accounts to verify trading in dormant accounts, trading in illiquid scripts, any manipulated activities by the Client's (detectable), ECN bounces and trading activities not commensurate with income declared, other money laundering activities, first time trade in future and options, spurt in volumes and any other activities which broker may feel is derogatory/detrimental to the market or client. These activities are carried out as proactive measures and some of them as

various regulatory requirements. In above cases, Stock Broker may deactivate the client account in the system for the purpose of further trading activity with or without notice.

#### 10. DEREGISTERING A CLIENT

Notwithstanding anything to the contrary stated in the agreement, the stock broker shall be entitled to terminate the agreement with immediate effect in any of the following circumstances:

- (i) If the action 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 securities or disturb the normal/proper functioning of the market, either alone or in conjunction with others.
- (ii) If there is any commencement of legal process against the client under any law in force;]
- (iii) On the death/lunacy or other disability of the Client.
- (iv) If the Client suffers any adverse material change in his /her/its financial position or defaults in any other agreement with the Stock broker;
- (v) 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;
- (vi) If the Client is in breach of any term, condition or covenant of this Agreement;
- (vii) If the client has made any material misrepresentation of facts, including (without limitation) in relation to the Security;
- (viii) 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;
- (ix) If the Client have taken or suffered to be taken any action for its reorganization, liquidation or dissolution;
- (x) 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 relied undertaking;
- (xi) If any covenant or warranty of the client is incorrect or untrue in any material respect;

#### 11. INACTIVE CLIENT ACCOUNT

Client account will be considered as inactive if the client does not trade for period of one year. Calculation will be done at the beginning of every month and those clients who have not traded even a single time will be considered as inactive. The client has to make written request for reactivation of their account.

#### 12. CLIENT ACCEPTANCE OF POLICIES AND PROCEDURES STATED HEREIN ABOVE:

I/We have fully understood the same and do hereby sign the same and agree not to call into question the validity, enforceability and applicability of any provision/clauses this document any circumstance what so ever. These policies and Procedures may be amended/changes unilaterally by the broker, provided the change is informed to me/us through any one or more

means or methods. I/we agree never to challenges the same on any grounds including delayed receipt/non receipt or any other reasons whatsoever. These policies and Procedures shall always be read along with the agreement and shall be compulsorily referred to while deciding any dispute/difference or claim between me/us and stock broker before any court of law/judicial/adjusting authority including arbitrator mediator etc.

### 13. RETURN OF EXCESS SECURITIES:

This is with reference to SEBI Circular CIR/HO/MIRSD/DOP/CIR/P/2019/75 dated June 20, 2019 and FAQ issued by the Exchanges on the said Circular, Client may transfer the securities in "Client Collateral Account"/"Collateral Account" towards the margin obligations. Excess securities of the clients, if any, held in "Client Collateral/Collateral" account shall be released to clients along with their funds' settlement (i.e. once in every 30/90 days) after making necessary retention in accordance with NSE circular NSE/INSP/36889 dated 02-Feb-2018

### 14. LIQUIDATION OF SECURITIES IN CASE OF NON- FULFILMENT OF CLIENT'S FUNDS OBLIGATION :

In compliance with SEBI Circular CIR/HO/MIRSD/DOP/CIR/P/2019/75 dated June 20, 2019 and FAQs issued by the Exchanges on the said Circular, if the client is not able to fulfill Funds Obligations, then the unpaid securities shall be transferred to "client unpaid securities account" either to be disposed-off within 5 trading days from the date of pay-out or may be transferred to client's demat account as per the Risk Management (RMS) Policy of the "BBETL".

### 15. PAYMENT TERMS:

As per the SEBI Circular CIR/HO/MIRSD/DOP/CIR/P/2019/75 dated June 20, 2019 and FAQ issued by the Exchanges on the said Circular, the client is required to fulfill the pay-in obligations on or before T+2 day. If the client fails to meet its funds pay-in obligation on T+2 day, then the securities shall be liquidated within 5 days from the Pay-out date or returned to the client as per the RMS policy of the BBETL. Profit/loss on the liquidation of the unpaid securities, if any, shall be transferred to/adjusted from the respective client account. The losses, if any, incurred due to liquidation of the unpaid securities shall be adjusted from the other collaterals of the client deposited with BBETL

## POLICIES & PROCEDURES - COMMODITY

### 1. ILLIQUID CONTRACTS

A Contract have lack of liquidity and large bid-ask spreads are generally considered to be highly speculative and risky. Depending on the market condition and our RMS (Risk Management & Surveillance) policy, RMS reserves the right to provide the limit in those Contracts and losses if any on account of such refusal shall be borne by the client.

### 2. SETTING UP CLIENT'S TRADING LIMITS

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 in respect of which orders can be placed

etc.) The client is aware and agree 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/SEBI directions

/Limits (such as broker level/market level limits in Commodity specific/volume specific exposures etc.) and the Broker shall not be responsible for such variation, reduction or imposition in advance. The client agrees that the Broker shall not be responsible for such variation, reduction or imposition or the client's inability to route any order through the broker's trading system on account of any such variation, reduction or imposition of limits. The client agrees that the Broker may at any time at its sole discretion and without prior notice, prohibit or restrict the client ability to place any order or trade in Commodities through the Broker or it may subject to any order placed by the client to review before its entry into the trading system and may refuse to execute/allow execution of any order due to but not limited to the reason of lack of Margin/Commodities or the order being outside the limits set by the Broker/Exchange/SEBI and any other reason which the Broker deems appropriate in the circumstances. The client agrees that the losses, if any, on account of such refusal or due to delay caused by such refusal or due to delay caused by such review shall be borne exclusively by the client alone. We have margined based RMS System. Total deposit of the client are uploaded in the system and the client may take exposure on the basis of applicable margin for the respective Commodity as per margining system of the Exchange and/or margin defined by the RMS based on their Risk perception. Client may take the benefit of "credit for sale" i.e., benefit of Commodities held in margin by selling the same by selecting delivery option through order entry window in the trading system, the value of the Commodities sold will be added with the value of deposit and on the basis of that, client may take fresh exposure. In case of exposure taken on the basis of shares margin, the payment is required to be made before the exchange pay-in date otherwise it will be liable to square off after the pay-in time or any time due to shortage of Margin.

### 3. CONDITION UNDER WHICH A CLIENT MAY NOT BE ALLOWED TO TAKE FURTHER POSITION OR THE BROKER MAY CLOSE THE EXISTING POSITION OF A CLIENT

The Broker has margin based RMS system. Client may take exposure up to the amount of margin available with us. Client may not be allowed to take position in case of non-availability/shortage of margin as per RMS policy of the company. The existing position of the client is also liable to square off/close out without prior giving notice due to shortage of margin/non making of payment for their pay-in obligation/ outstanding debts.

### 4. APPLICABLE BROKERAGE RATE

Brokerage will be charged within the limits prescribed by SEBI/Exchanges.

### 5. IMPOSITION OF PENALTY/DELAYED PAYMENT CHARGES Clients will be liable to pay late pay in/delayed payment charges for not making payment of their paying/margin obligation on time as per the exchange

requirement/schedule at the rate of 3% per month. The client agree that the Broker

may impose fine and penalties for the order/trades/margin/deals/ actions of the clients which is contrary to these agreement/rules/regulations/bye laws of the exchange or any other law for the time being in force at such rates and in such form as it may deem fit. 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.

**6. THE RIGHT TO SELL CLIENT'S COMMODITIES OR CLOSE CLIENT'S POSITIONS, WITHOUT GIVING NOTICE TO THE CLIENT, ON ACCOUNT OF NON PAYMENT OF CLIENT'S DUE**

Without prejudice to the Brokers other right (Including the right to refer the matter to arbitration), the Broker shall be entitled to liquidate/close out all or any of the clients position without giving notice to the client for non-payment of margins or other amounts including the pay in obligation, outstanding debts etc and adjust the proceeds of such liquidation/close out, if any, against the clients liabilities/obligations. The client shall ensure timely availability of funds/Shares/Commodities (WR's) in form and manner at designated time and in designated bank and depository account(s), for meeting his/her/its pay in obligation of funds and Commodities. Any and all losses and financial charges on account of such liquidations/closing out shall be charged to & born by the client. In case of Shares lying in margin account/client beneficiary account and having corporate actions like Bonus, Stock split, Right issue etc, for margin or other purpose the benefit of shares due to received under Bonus, Stock Split, Right issue etc will be given when the shares is actually received in the Broker designated demat account. In case the payment of the margin is made by the client through a bank instrument, the Broker shall be at liberty to give the benefit/credit for the same only on the realization of the funds from the said bank instrument etc, at the absolute discretion of the Broker. Where the margin is made available by way of Commodities or any other property, the Broker is empowered to decline its acceptance as margin / Commodity &/or to accept it at such reduced value as the Broker may deem fit by applying haircuts or by valuing it by making it to market or by any other method as the Broker may deem fit in its absolute

discretion. The Broker has the right but not the obligation, to cancel all pending orders and to sell/close/liquidate all open positions at the pre-defined square off time or when Market to Market (M-T-M) percentage reaches or crosses stipulated margin. The Broker will have sole discretion to decide referred stipulated margin percentage depending upon the market condition. In the event of such square off, the client agrees to bear all the losses based on actual executed prices, the client shall also be solely liable for all and any penalties and charge levied by the exchange(s).

**7. SHORTAGES IN OBLIGATION ARISING OUT OF INTERNAL NETTING OF TRADES**

Broker shall not be obliged to deliver any Commodities 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 obligation first. In case of short delivery by a client, penalty against the shortages in obligations arising out of

internal meeting of trades as levied by the Exchange shall be bear by the client.

**8. CONDITIONS UNDER WHICH A CLIENT MAY NOT BE ALLOWED TO TAKE FURTHER POSITION OR THE BROKER MAY CLOSE THE EXISTING POSITION OF A CLIENT**

We have margin based RMS system. Client may take exposure up to the amount of margin available with us. Client may not be allowed to take position in case of non-

availability/shortage of margin as per our RMS policy of the company. The existing position of the client clear balance is also liable to square off/close out without giving notice due to shortage of margin/non/making of payment for their pay-in obligation/ outstanding debts.

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

On the request of the client in writing, the client account can be suspended temporarily and same can be activated on the written request of the client only. During the period client account is suspended, the market transaction in the client account will be prohibited. However client shares/ledger balance settlement can take place. On the request of the client in writing, the client account can be closed provided the client account is settled. If the client wants to reopen the account in that case client has to again complete the KYC requirement. Broker as a protective measure and also good governance carries out internal checks on the transactional activities in the clients accounts to verify trading in dormant accounts, trading in illiquid contracts, any manipulated activities by the Client's (detectable), ECN bounces and trading activities not commensurate with income declared, other money laundering activities, spurt in volumes and any other activities which broker may feel is derogatory/detrimental to the market or client. These activities are carried out as proactive measures and some of them as various regulatory requirements. In above cases, Broker may deactivate the client account in the system for the purpose of further trading activity with or without notice.

#### 10. DEREGISTERING A CLIENT

Notwithstanding anything to the contrary stated in the agreement, the Broker shall be entitled to terminate the agreement with immediate effect in any of the following circumstances:

- (i) If the action 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 Commodities or disturb the normal/proper functioning of the market, either alone or in conjunction with others.
- (ii) If there is any commencement of legal process against the client under any law in force
- (iii) On the death/lunacy or other disability of the Client.
- (iv) If the Client suffers any adverse material change in his /her/its financial position or defaults in any other agreement with the Broker;
- (v) 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;
- (vi) If the Client is in breach of any term, condition or covenant of this Agreement;
- (vii) If the client has made any material misrepresentation of facts, including (without limitation) in relation to the Commodity;
- (viii) 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;
- (ix) If the Client have taken or suffered to be taken any action for its reorganization, liquidation or dissolution;
- (x) 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 relied undertaking:

(xi) If any covenant or warranty of the client is incorrect or untrue in any material respect;

#### 11. INACTIVE CLIENT ACCOUNT

Client account will be considered as inactive if the client does not trade for period of 12 months. Calculation will be done at the beginning of every month and those clients who have not traded even a single time will be considered as inactive. The client has to make written request for reactivation of their account.

#### 12. CLIENT ACCEPTANCE OF POLICIES AND PROCEDURES STATED HEREIN ABOVE:

I/We have fully understood the same and do hereby sign the same and agree not to call into question the validity, enforceability and applicability of any provision/clauses this document any circumstance what so ever. These policies and Procedures may be amended/changes unilaterally by the broker, provided the change is informed to me/us through any one or more means or methods. I/we agree never to challenges the same on any grounds including delayed receipt/non receipt or any other reasons whatsoever. These policies and Procedures shall always be read along with the agreement and shall be compulsorily referred to while deciding any dispute/difference or claim between me/us and Broker before any court of law/judicial/adjusting authority including arbitrator mediator etc.

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#### General Clause

1. The Beneficial Owner and the Depository participant (DP) shall be bound by the provisions of the Depositories Act, 1996, SEBI (Depositories and Participants) Regulations, 1996, Rules and Regulations of Securities and Exchange Board of India (SEBI), Circulars/Notifications/Guidelines issued there under, Bye Laws and Business Rules/Operating Instructions issued by the Depositories and relevant notifications of Government Authorities as may be in force from time to time.

2. The DP shall open/activate demat account of a beneficial owner in the depository system only after receipt of complete Account opening form, KYC and supporting documents as specified by SEBI from time to time. Beneficial Owner information

3. The DP shall maintain all the details of the beneficial owner(s) as mentioned in the account opening form, supporting documents submitted by them and/or any other information pertaining to the beneficial owner confidentially and shall not disclose the same to any person except as required by any statutory, legal or regulatory authority in this regard.

4. The Beneficial Owner shall immediately notify the DP in writing, if there is any change in details provided in the account opening form as submitted to the DP at the time of opening the demat account or furnished to the DP from time to time. Fees/Charges/Tariff

5. The Beneficial Owner shall pay such charges to the DP for the purpose of holding and transfer of securities in dematerialized form and for availing depository services as may

be agreed to from time to time between the DP and the Beneficial Owner as set out in the Tariff Sheet provided by the DP. It may be informed to the Beneficial Owner that "no charges are payable for opening of demat account.

6. In case of Basic Services Demat Accounts, the DP shall adhere to the charge structure as laid down under the relevant SEBI and/or Depository circulars/directions/notifications issued from time to time.

7. The DP shall not increase any charges/tariff agreed upon unless it has given a notice in writing of not less than thirty days to the Beneficial Owner regarding the same.

Dematerialization

8. The Beneficial Owner shall have the right to get the securities, which have been admitted on the Depositories, dematerialized in the form and manner laid down under the Bye Laws, Business Rules and Operating Instructions of the depositories. Separate Accounts

9. The DP shall open separate accounts in the name of each of the beneficial owners and securities of each beneficial owner shall be segregated and shall not be mixed up with the securities of other beneficial owners and/or DP's own securities held in dematerialized form.

10. The DP shall not facilitate the Beneficial Owner to create or permit any pledge and/or hypothecation or any other interest or encumbrance over all or any of such securities submitted for dematerialization and/or held in demat account except in the form and manner prescribed in the Depositories Act, 1996, SEBI (Depositories and Participants) Regulations, 1996 and Bye- Laws/Operating Instructions/Business Rules of the Depositories.

Transfer of Securities

11. The DP shall effect transfer to and from the demat accounts of the Beneficial Owner only on the basis of an order, instruction, direction or mandate duly authorized by the Beneficial Owner and the DP shall maintain the original documents and the audit trail of such authorizations.

12. The Beneficial Owner reserves the right to give standing instructions with regard to the crediting of securities in his demat account and the DP shall act according to such instructions. Statement of account

13. The DP shall provide statements of accounts to the beneficial owner in such form and manner and at such time as agreed with the Beneficial Owner and as specified by SEBI/depository in this regard.

14. However, if there is no transaction in the demat account, or if the balance has become Nil during the year, the DP shall send one physical statement of holding annually to such BOs and shall resume sending the transaction statement as and when there is a transaction in the account.

15. The DP may provide the services of issuing the statement of demat accounts in an electronic mode if the Beneficial Owner so desires. The DP will furnish to the Beneficial Owner the statement of demat accounts under its digital signature, as governed under the Information Technology Act, 2000. However if the DP does not have the facility of providing the statement of demat account in the electronic mode, then the Participant shall be obliged to forward the statement of demat accounts in physical form.

16. In case of Basic Services Demat Accounts, the DP shall send the transaction statements as mandated by SEBI and/or Depository from time to time. Manner of Closure of Demat account

17. The DP shall have the right to close the demat account of the Beneficial Owner, for any reasons whatsoever, provided the DP has given a notice in writing of not less than thirty days to the Beneficial Owner as well as to the Depository. Similarly, the Beneficial Owner shall have the right to close his/her demat account held with the DP provided no charges are payable by him/her to the DP. In such an event, the Beneficial Owner shall specify whether the balances in their demat account should be transferred to another demat account of the Beneficial Owner held with another DP or to rematerialize the security balances held.

18. Based on the instructions of the Beneficial Owner, the DP shall initiate the procedure for transferring such security balances or rematerialize such security balances within a period of thirty days as per procedure specified from time to time by the depository. Provided further, closure of demat account shall not affect the rights, liabilities and obligations of either the Beneficial Owner or the DP and shall continue to bind the parties to their satisfactory completion.

#### Default in payment of charges

19. In event of Beneficial Owner committing a default in the payment of any amount provided in Clause 5 & 6 within a period of thirty days from the date of demand, without prejudice to the right of the DP to close the demat account of the Beneficial Owner, the DP may charge interest at a rate as specified by the Depository from time to time for the period of such default.

20. In case the Beneficial Owner has failed to make the payment of any of the amounts as provided in Clause 5&6 specified above, the DP after giving two days notice to the Beneficial Owner shall have the right to stop processing of instructions of the Beneficial Owner till such time he makes the payment along with interest, if any.

#### Liability of the Depository

21. As per Section 16 of Depositories Act, 1996,

1. Without prejudice to the provisions of any other law for the time being in force, any loss caused to the beneficial owner due to the negligence of the depository or the participant, the depository shall indemnify such beneficial owner.

2. Where the loss due to the negligence of the participant under Clause (1) above, is indemnified by the depository, the depository shall have the right to recover the same from such participant.

#### Freezing/ Defreezing of accounts

22. The Beneficial Owner may exercise the right to freeze/defreeze his/her demat account maintained with the DP in accordance with the procedure and subject to the restrictions laid down under the Bye Laws and Business Rules/Operating Instructions.

23. The DP or the Depository shall have the right to freeze/defreeze the accounts of the Beneficial Owners on receipt of instructions received from any regulator or court or any statutory authority.

#### Redressal of Investor grievance

24. The DP shall redress all grievances of the Beneficial Owner against the DP within a period of thirty days from the date of receipt of the complaint.

#### Authorized representative

25 If the Beneficial Owner is a body corporate or a legal entity, it shall, along with the account opening form, furnish to the DP, a list of officials authorized by it, who shall represent and interact on its behalf with the Participant. Any

change in such list including additions, deletions or alterations thereto shall be forthwith communicated to the Participant.

#### Law and Jurisdiction

26. In addition to the specific rights set out in this document, the DP and the Beneficial owner shall be entitled to exercise any other rights which the DP or the Beneficial Owner may have under the Rules, Bye Laws and Regulations of the respective Depository in which the demat account is opened and circulars/notices issued there under or Rules and Regulations of SEBI.

27. The provisions of this document shall always be subject to Government notification, any rules, regulations, guidelines and circulars/notices issued by SEBI and Rules, Regulations and Bye-laws of the relevant Depository, where the Beneficial Owner maintains his/ her account, that may be in force from time to time.

28. The Beneficial Owner and the DP shall abide by the arbitration and conciliation procedure prescribed under the Bye-laws of the depository and that such procedure shall be applicable to any disputes between the DP and the Beneficial Owner.

29. Words and expressions which are used in this document but which are not defined herein shall unless the context otherwise requires, have the same meanings as assigned thereto in the Rules, Bye-laws and Regulations and circulars/notices issued there under by the depository and /or SEBI

30. Any changes in the rights and obligations which are specified by SEBI/Depositories shall also be brought to the notice of the clients at once.

31. If the rights and obligations of the parties hereto are altered by virtue of change in Rules and regulations of SEBI or Bye-laws, Rules and Regulations of the relevant Depository, where the Beneficial Owner maintains his/her account, such changes shall be deemed to have been incorporated herein in modification of the rights and obligations of the parties mentioned in this document.

#### TERMS & CONDITIONS

1. Client agrees to set off outstanding in any of his/her/its accounts against credits available or arising in any other accounts maintained with Broker irrespective of the fact that such credits in the accounts may pertain to transactions in any segment of the Exchange or in any other Exchange and/or against the value of cash margin or collateral shares provided to Broker.

2. Client authorises the Broker not to provide Order Confirmation/Modification/Cancellation Slips and Trade Confirmation Slips to avoid unnecessary paper work. Client shall get the required details from contract notes issued by Broker.

3. Client authorises Broker to keep all securities which Client has given in margin including the payout securities received by Broker for meeting margin/order obligation in any of the Stock Exchanges/Clearing House/Clearing Corporation in whatever manner which may include pledging of shares in favor of bank and/or taking loan against the same or meeting margin/pay-in obligation on client's behalf or for giving the same as margin to any of the stock exchanges/ clearing house/clearing corporation or otherwise. Further, Client shall when called upon to do so forthwith from time to time provide a Margin Deposit and/or furnish additional Margin as required under the Rules and Regulations in respect of the business done by the Client and/or as agreed upon by Client with the Trading Member.

4. Client authorises broker to retain credit balance in any of his/her/its account and to use the unused funds towards his/her/its margin/future obligation at any or both the Exchanges unless the client instruct otherwise. Client also authorize broker to debit the necessary demat charges from time to time, for keeping the shares in Broker client demat beneficiary account on Client's behalf. Client also agrees to debit the charges @2% p.m., for the debit balances or delay payment charges at the rate prescribed by exchange for shortage in margin/debit balances, if any, in client's account and not settled as per the exchange requirements.

5. Client agrees and permit the stock broker to retain Securities in their demat account for his/her/its margin/future obligations at all Exchanges, unless the client instructs the stock broker to transfer the same to his/her/its account.

6. Client agrees and permits the stock broker to consider his/her/its telephonic instructions for order placing/order modification/order cancellation as a written instruction and permit to provide all the confirmation on telephonic unless instructed otherwise in writing.

7. Client authorises the stock broker/exchange/other regulatory authority to send/dispatch contract notes/e-mail alert/other documents through e-mail on his/her/its designated e-mail address mentioned in KYC. Client shall completely rely on the log reports of dispatching software as a conclusive proof of dispatch of e-mail to the client and shall not dispute on the same.

Non-receipt of bounced mail notification by the stock broker shall amount to delivery of the contract note at e-mail ID of the client.

8. Client shall inform the stock broker change of his/her/its email ID.

10. The client shall not sublet the trading terminal on any term of connectivity from his/her/its place to any other place without prior approval of stock broker.

11. The client agrees and permits the stock broker for inter-settlement transfer of securities towards settlement.

12. The client agrees and authorises the stock broker to with hold funds pay-out towards all the applicable margins and debits.

13. Client understands and permits to recover all fines/penalties and charges levied upon trading member due to client's acts / deeds or transaction

14. Client permits and authorises to debit the charges relevant with depository services from client's trading account. The client also agrees to maintain the adequate balance in his/her/its trading account/ pay adequate advance fee for the said reason.

15. Client permits and authories the stock broker to discontinue sending contract note/other documents/details/information on client's email ID if contract notes get bounced for more than 5 times and to start sending physical documents. The client also permits and authories to charge administrative/other charges for the same.

16. The Stock Broker may from time to time amend these terms and conditions if required, for complying with any change in Statute, Regulation or with the requirements of any competent authority without the consent of the Client. The Stock Broker may from time to time amend the terms and conditions with the intimate of the Client. The amended terms and conditions shall be

intimated in advance to the Client by the Stock Broker atleast 7 days or such other period as may be prescribed by SEBI. In case the Client continues to deal with the Stock Broker subsequent to the intimations of such amendments, the Client agrees and acknowledges that it shall be deemed that the Client is agreeable to the new clauses. However, if the Client is not agreeable to such new terms and conditions, the Client has the right to terminate the relationship with the Stock Brokers as per rights & obligation prescribed by SEBI through communication in writing subject to the meeting of the financial and other obligations under these terms and conditions or any other agreement / arrangement.

17. In case any one or more of the provisions contained in the terms and conditions becomes invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereto

18. The Client confirms having read and understood these terms and conditions and those relating to various services and products and accepts and agrees to be bound by all the terms and conditions including those excluding /limiting the Stock Broker's and Exchange's liabilities

19. Trading in the Exchange is in Electronic Mode, based on VAST, leased line, ISDN, Modem and VPN, combination of technologies and computer systems to place and route orders. Client understand that there exists a possibility of communication failure or system problems or slow or delayed response from system or trading halt or any break down in our back office/front and system, or any such other problems/glitch whereby not being able to establish access to the trading system/network, which may be beyond your control and may result in delay in processing or not processing buy or sell Orders either in part or in full. Client shall be fully liable and responsible for any such problem/fault.

#### INTERNET TRADING - TERM AND CONDITIONS

The Stock Broker offers and/or proposes to offer the Internet Trading Service to its Clients; and the Client desires to avail of the Stock Broker's internet trading service for purchasing, selling or otherwise dealing in securities subject to the terms and conditions set out herein the client shall be deemed to have read, understood and agreed to the following terms and conditions in the event the Client avails the Internet Trading service provided by the Stock Broker:

##### 1. DEFINITIONS:

1. In these terms and conditions (including the recitals above), unless the context otherwise requires the following words shall have the following meanings:

(I) "Exchange Provisions" means the Rules, Byelaws, Regulations, Business Requirements, specification, handbooks, notices, circulars and resolutions of the exchange or any segments of the

(II) Exchange in force from time to time. "Internet Trading" means Internet based Trading through Order Routing system, being a system approved by the Exchange for enabling clients to route their order to Stock Broker over the internet.

(III) "Internet Trading Account Application" means the Client Registration form along with the other supporting documents submitted by the Clients to the Stock Broker to permit the Client to avail of the Stock Broker's Internet Trading Service.

(IV) "Internet Trading Service" or "Service" means the service offered by the Stock Broker to its clients through Internet Trading where under the clients can route their orders for purchase, sale and other dealings in Securities through the Stock Broker's Internet Trading System.

(V) "Password" means an alphanumeric code used by the Client to validate his/her username and access the Service.

(VI) "Stock Broker's on the Internet Trading Website" means the web site hosted by the Stock Broker on the internet through which the Stock Broker offers the Internet Trading Service and includes the hardware and software used for hosting and supporting the Website or any other system through which Stock Broker offers the Internet Trading Service.

(VII) "Username" means an alphanumeric login identification used by the Client for accessing the Service.

## 2. INTERNET TRADING SERVICE:

The Stock Broker provides the internet Trading Service to the Client subject to these terms and conditions and the provisions of the rights & obligations of stock broker, the exchange provisions, SEBI guidelines and the terms of the Website through which Internet Trading Service is provided. The Stock Broker shall be entitled to / alter these terms and conditions and the same shall be deemed to be a notice to the Client. The use of Internet Trading acceptance by the Client of said terms and conditions including any modifications / alteration thereto.

## 3. USER NAME AND PASSWORD

3.1 The Client will be entitled to a username and password, which will enable him to access the Stock Broker 's Internet Trading Website for availing of the Internet Trading Service.

3.2 The Client is aware that the Stock Broker 's Internet Trading Website itself generates the initial password encrypts and passes on the password to the client. The Client agrees and undertakes to immediately change his initial password upon receipt thereof and subsequently to change his password with the period stipulated by the Stock Broker. The Client is aware that subsequent passwords are not known or available to the Stock Broker

3.3 The Client shall be responsible for keeping the username and password confidential and secure and shall be solely responsible for all orders entered and transactions done by any person whatsoever through the Stock Broker's Internet Trading Website using the Client's Username and/or password whether or not such person was authorized to do so.

3.4 The Client shall immediately inform the Stock Broker of any unauthorized use of the Client's Username or Password with full details or such unauthorized use including the date of such unauthorized use, the manner in which it was unauthorized used, the transactions effected pursuant to such unauthorized use etc.

3.5 The Client acknowledges that he is fully aware of and understands the risks associated with availing of a service for routing orders over the internet including the risk of misuse and unauthorized use of his username and/or password by a third party and the risk of a person hacking into the Client's account on the Stock Broker's Internet Trading Website and unauthorized routing orders on behalf of the Client through the System. The Client shall be fully liable and responsible for any and all unauthorized use and misuse of his password and/or username and also for any and all acts done by any person through Stock Broker's Internet Trading Website on the Client's username in

any manner whatsoever. The Client undertakes to ensure that the password of the Client and/or his authorized representative are not revealed to any third party including employee/representative of the member.

3.6 The Client shall log off from the Stock Broker Internet Trading Website at any time the Client is not accessing or using the Internet Trading service and any liability incurred to the Client as a consequence of the Client not logging off the service shall borne solely by the Client.

3.7 Without prejudice to the provisions of Clause 3.5, the Client shall immediately notify the Stock Broker in writing with full details if:

- (i) He discovers or suspects unauthorized access through his User name, Password or account.
- (ii) He notices discrepancies that might be attributable to unauthorised access.
- (iii) He forgets his password or
- (iv) He discovers a security flaw in the Stock Broker's Internet Trading Website.

In any of the above events specified in clause 3.7, the Client shall immediately change his password. However, if the Client is unable to change his password by reason of his having forgotten his password or his password having been unauthorized changed by some other person or for any other reason then the Client shall immediately request the Stock Broker in writing to discontinue his password; and there upon the Stock Broker shall block the login to discontinue the use of the Client's password and Stock Broker's Internet Trading Website shall generate a new password for the Client which shall be communicated to the Client. At no point in time shall the Stock Broker be liable for any loss, whether notional or actual, that may be suffered by the Client on account of the misuse of the password.

#### TECHNICAL & FUNDAMENTAL RESEARCH REPORTS ON DERIVATIVES (TFR)

Caution: Trading in the capital/derivatives/currency segments using Technical Charts or Short Term Indicators involves high risk and requires skill, experience and

knowledge of the capital/derivatives/currency segments.

Certain transactions including those involving Futures, options & other derivatives as well as other non-investment grade securities contain substantial risk and are not suitable for all investors. STOP LOSS ORDERS help limit loss but even placing contingent orders, such as



“stop-loss “or “stop-limit” orders will not necessarily limit your losses to the intended amounts, and it is important that only a small portion of your corpus is allocated to such trading. Leverage can lead to large losses as well as gains. You may sustain a total loss of the initial margin funds and any additional funds that you deposit with us to establish or maintain a position, and you may incur losses beyond your initial investment.

#### TERMS AND CONDITIONS (TFR)

Bharat Bhushan Equity Traders Limited (BBETL) will, at its discretion, provide its trading call, based on Technical and Fundamental Research as also market news to its clients either in the form of a written market commentary or research report sent in e mail, fax form, SMS or through postal or courier service. A brief extract of the TFR reports may also be sent, on enrolment, in SMS, e-mail or fax form.

To avail of TFR reports, clients are required to understand, confirm & accept the following:

1. Clients have read and understood in full the terms and conditions contained in the member client agreement and risk disclosure documents provided therein. Clients are also to read and understood the important disclosures and disclaimers forming part of each report.
2. TFR reports are of general information for clients of GCML. They do not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of the individual clients.
3. No information published in TFR Reports constitute a solicitation or offer, or any kind of recommendation, to buy or sell any Investment instruments, to effect any transactions, or to conclude any legal act of any kind whatsoever and the risk of loss on the basis of information published in TFR reports can be substantial. Clients should, therefore, carefully consider whether such trading is suitable for them in light of their circumstances and financial resources.
4. The information published and opinions expressed are provided by GCML for personal use and for informational purposes only and are subject to change without notice, GCML makes no representation (either express or implied) that the information and opinions expressed in TFR Reports will be accurate, complete or up to date. The stated price of any securities mentioned in TFR Reports will be as of the date indicated and is not a representation that any transaction can be effected at this price. Neither GCML nor other persons shall be liable for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including lost profits arising in any way from the information contained in TFR Reports.
5. GCML will exercise due diligence in checking the correctness and authenticity of the information contained in TFR Reports, but GCML or any of its affiliates or directors or officers or employees shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in TFR Reports or any action taken on basis of TFR Reports. Price and value of the securities forming part of TFR Reports may go up or down. Past performance is not a guide for future performance.
6. GCML may use brand names for all or any of TFR reports. Such names would represent the brand and not the nature or feature of TFR reports.
7. TFR reports will include commentary on derivatives trading, technical, fundamental analysis and limited review of Stocks and may not be based on comprehensive or fundamental of the stocks.

8. GCML has two independent equity research groups: Institutional Equities Research Group and Private Client Group. The Private Group is responsible for the preparation of TFR Reports. A designated team from the Private Research Group also prepares reports based on fundamental evaluation of companies. The views and opinions expressed in TFR Reports may or may not match or may be contrary with the views, estimates, rating, target price, of reports of the Institutional Research Group and Private Client Group dealing in fundamental research. Further, there may be a contrary view within the TFR Reports with regard to estimates, rating, target price as evaluation are based on different criteria.

9. The contents of the TFR Reports cannot be copied, reproduce, republished, uploaded, posted, transmitted or distributed for any non-personal use without obtaining prior permission from GCML.

10. The proprietary trading and investment businesses of the BBETL Group may make investment decisions that are inconsistent with the views expressed in the TFR reports.

11. GCML and its affiliates, officers, directors, and employees world-wide may:

(a) from time to time, have long or short positions in, and buy or sell the stocks mentioned in the TFR Reports or

(b) Be engaged in any other transaction involving such securities and earn brokerage or other compensation or have other potential conflict of interest with respect to any view and related information and opinions mentioned in TFR Reports,

12. GCML reserves the option to provide all or any of the TFR reports and the right to suspend or vary the whole or any part of the same for any reason, at any time at its sole discretion.

13. Clients who enroll for SMS/e-mail/Fax delivery of brief extract of TFR reports are required to read the full reports.

14. GCML does not guarantee completeness, error, delay, interruption or timeliness or delivery in whole or in part of any of the TFR reports or their extracts. The same is provided on an “as-is” and “as-available” basis.

15. Investors should not solely rely on the information contained in these TFR reports and must make investment decisions based on their own investment objectives, risk appetite, investment horizon, financial strength or other parameters. The client should take their own professional advice or consult SEBI registered Investment Adviser for these specific investment related advice/requirements and/or before acting on this information.

#### ANTI MONEY LAUNDERING AWARENESS - EDUCATING CLIENTS ABOUT AML PROVISIONS

This is must read/ understood and to be complied by every one dealing/ desirous in dealing in Capital and / or Derivatives (including Currency Derivative)

1. Prevention of Money Laundering Act, 2002 (PMLA) is enacted to prevent the financing of terrorism and to prevent laundering of money i.e. to prevent legalizing or officializing or canalizing the money generated from illegal activities like drug trafficking, organized crimes, hawala rackets and other serious crimes etc.

2. PMLA is a part of the Global measures being taken by all the countries under the initiatives of United Nations.

3. It is an obligation of individual/entities to whom PMLA is applicable, to report certain kind of transactions routed through them to Financial Intelligence Unit (FIU), a department specially set up to administer PMLA under the Ministry of Finance.

4. PMLA is, inter-alia, applicable to various intermediaries which includes stock brokers, commodity brokers, sub-brokers, authorised person and depository participant etc.

5. As per PMLA the following type of transaction are to be reported to FIU: -

(A) All cash transactions of the value of more than ` .10 Lacs or its equivalent in foreign currency.

(B) All series of cash transactions integrally connected to each other which have been valued below ` . 10 Lacs or its equivalent in foreign currency where such series of transactions takes place within one calendar month.

(C) All suspicious transactions whether or not made in cash and including, inter-alia, credits or debits into any non monetary accounts such as demat account.

6. Any such above transaction(s), though not executed but attempted and failed are also required to be reported

7. The suspicious transaction(s) can be related to the transaction(s) under the circumstances such as: -

(A) Client(s) whose identity verification seems difficult or client(s) that appear not to co-operate;

(B) Asset management services for client(s) where the source of the funds is not clear or not in keeping with client(s) apparent standing /business activity;

(C) Client(s) based in high risk jurisdictions;

(D) Substantial increases in business without apparent cause;

(E) Client(s) transferring large sum of money to or from overseas locations with instructions for payment in cash;

(F) Attempted transfer of investment proceeds to apparently unrelated third parties;

(G) Businesses undertaken by offshore banks/financial services;

(H) Businesses reported to be in the nature of export/import of small items;

(I) Unusual transactions by Clients of Special Categories (CSCs).

8. Clients of Special Categories includes: -

(A) Non-resident client;

(B) High net-worth client (having annual income + networth of more than Rs. 1 Crore);

(C) Trust, Charities NGOs and organizations receiving donations;

(D) Company having close family shareholdings or beneficial ownership;

- (E) Civil Servant or family member or close relative of civil servant;
- (F) Bureaucrat or family member or close relative of bureaucrat;
- (G) Current or Former MP or MLA or MLC or their family member or close relative;
- (H) Politician or their family member or close relative;
- (I) Current or Former Head of State or of Governments or their family member or close relative;
- (J) Senior government/judicial/military officers or their family member or close relative;
- (K) Senior executives of state-owned corporations or their family member or close relative;
- (L) Companies offering foreign exchange offerings;

9. While opening the new account all the prescribed procedures of KYC and Client Identifications should strictly be followed in the context of ensuring the compliance under PMLA.

10. All the record of transaction(s) and client identifications must be preserved in a manner which can be retrieved promptly and reported to the authorities in the specified format as and when required.

11. The Clients are advised to be fully conversant with the provisions of PMLA and any amendments thereto from time to time and to co-operate with intermediaries by providing the additional information(s)/document(s), if asked for, to ensure the compliance requirements under PMLA.

12. The Client are advised to provide certain information which may be of personal nature or has hitherto never been called for such information can include documents evidencing source of funds/income taxreturns/bank records etc. You are advised to co-operate with us whenever such information is sought for from PMLA perspective.

13. The Clients are advised to be vigilant and to refrain from temptation of easy monetary gains, by knowingly or unknowingly supporting the people who are involved in the activities which are endangering freedom and causing damage to the nation. The Clients are supposed to provide their active co- operation in the due compliance of the law.

14. Please visit the website of Financial Intelligence Unit ([www.fiuindia.gov.in](http://www.fiuindia.gov.in)) and Securities and Exchange Board of India ([www.sebi.gov.in](http://www.sebi.gov.in)) for any further information on the subject.

#### Pro Disclosure

In pursuance of SEBI Circular No. SEBI/MRD/SE/ Cir-42/2003 dated November 19, 2003, with a view to increase the transparency in the dealings between the trading member and their Clients, all trading members are required to disclose to his clients whether they do Client based business or proprietary.

This is to inform you that we do client based trading and Pro-account Trading in National Stock Exchange of India Ltd (NSE)/Bombay Stock Exchange of India Ltd.(BSE) and Metropolitan Stock Exchange of India Limited (MSEI)

## Email Mobile Declaration

Client agrees to receive communications pertaining to trading and demat account like Trade Confirmations, Contract Notes, MTM Obligation, Margin Calls, transactions and holding statement or any other communication including the call from BBETL etc to his/her/its mobile number/Email registered with BBETL . Client also aware that the Commodity Exchanges and Depository have been pursuing a process of confirming the transaction details directly to the Clients via SMS and Email alerts which they have carried out through their respective Stock Broker. Accordingly, Client accord his/her/it's consent to receive those SMS as well as Emails alerts directly from the Exchanges/Depositories. Client hereby agrees and authorizes BBETL to share the contact details with Exchanges/Depositories/KRAs and/or other regulatory Authority.

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## FATCA & CRS TERMS AND CONDITIONS - FOR INDIVIDUAL

The Central Board of Direct Taxes has notified Rules 114F to 114H, as part of the Income tax Rules, 1962, which require Indian financial institutions to seek additional personal, tax and beneficial owner information and certain certifications and documentation from all our unit holders. In relevant cases, information will have to be reported to tax authorities / appointed agencies. Towards compliance, we may also be required to provide information to any institutions such as withholding agents for the purpose of ensuring appropriate withholding from the folio(s) or any proceeds in relation thereto.

Should there be any change in any information provided by you, please ensure you advise us promptly, i.e., within 30 days.

Please note that you may receive more than one request for information if you have multiple relationships with us or our group entities. Therefore, it is important that you respond to our request, even if you believe you have already supplied any previously requested information. It is mandatory to supply a TIN or functional equivalent if the country in which you are tax resident issues such identifiers. If no TIN is yet available or has not yet been issued, please provide an explanation and attach this to the form.

In case investor has the following Indicia pertaining to a foreign country and yet declares self to be non-tax resident in the respective country, investor to provide relevant Curing Documents as mentioned below:

FATCA/ CRS Indicia observed (ticked)

Documentation required for Cure of FATCA/ CRS indicia

- U.S. place of birth
1. Self-certification that the account holder is neither a citizen of United States of America nor a resident for tax purposes;
  2. Non-US passport or any non-US government issued document evidencing nationality or citizenship (refer list below); AND
  3. Any one of the following documents:
    - a. Certified Copy of "Certificate of Loss of Nationality or

b. Reasonable explanation of why the customer does not have such a certificate despite renouncing US citizenship; or

Reason the customer did not obtain U.S. citizenship at birth

Residence/ mailing address in a country other than India 1. Self-certification that the account holder is neither a citizen of United States of America nor a tax resident of any country other than India;

and

2. Documentary evidence (refer list below)

Telephone number in a country other than India If no Indian telephone number is provided

1. Self-certification that the account holder is neither a citizen of United States of America nor a tax resident of any country other than India; and

2. Documentary evidence (refer list below)

If Indian telephone number is provided along with a foreign country telephone number

1. Self-certification (in attached format) that the account holder is neither a citizen of United States of America nor a tax resident for tax purposes of any country other than India; OR

2. Documentary evidence (refer list below)

Standing instructions to transfer funds to an account maintained in a country other than India (other than depository accounts) 1. Self-certification that the account holder is neither a citizen of United States of America nor a tax resident of any country other than India; and

2. Documentary evidence (refer list below)

List of acceptable documentary evidence needed to establish the residence(s) for tax purposes:

1. Certificate of residence issued by an authorized government body\*

2. Valid identification issued by an authorized government body\* (e.g. Passport, National Identity card, etc.)

\* Government or agency thereof or a municipality of the country or territory in which the payee claims to be a resident.

ACKNOWLEDGEMENT TO BBETL FROM CLIENT

To,

Bharat Bhushan Equity Traders Limited

503, Rohit House, 3 Tolstoy Marg, New Delhi -110001

Date :

I/we hereby confirm that I/we have read, understood, agreed and received a duly executed copy of the:-

- Account Opening Form
- Trading Account Related Details & Tariff Sheet (Trading & Demat Account)
- Rights and Obligations of Stock Brokers, Sub-Brokers and Clients
- Rights and Obligations of Beneficiary owner and Depository Participant as prescribe by SEBI and Depository
- Internet and Wireless technology based trading facility provided by Stock Brokers to Client
- Risk and Disclosure document for capital market and derivative segments
- Guidance note-Do's and Don't for trading on the Exchange(s) for Investors
- Policies and procedures
- Terms & Conditions as Mutually agreed by me & FATCA & CRS Terms & Conditions
- Other disclosure/documents as agreed by me specifically in voluntary segment.
- Copy of POA (Power of Attorney)

I/we am/are abiding by these terms & conditions. I/we reconfirm that I/we and stock broker shall refer any claim and/or disputes with respect to deposits, margin money, etc, to arbitration as per the Rules, Byelaws, and Regulation of the Exchanges where the trade is executed and circulars/notices issued there under as may be in force from time to time.

I/We reconfirm that I/we and Stock Broker shall refer all claims, differences or disputes between us arising out of or in relation to dealings, contracts and transaction made subject to the Bye-Laws, Rules and Regulations of the Exchange or with reference to anything incidental thereto or in pursuance thereof or relating to their validity, construction, interpretation, fulfillment or the rights, obligations and liabilities of the parties thereto and including any question of whether such dealings, transactions and contracts have entered into to arbitration in accordance with the provisions of these Byelaws and Regulations.

I/We further confirm having read and understood the contents of the Rights and Obligations', Policies & Procedures document(s) and 'Risk Disclosure Document', 'Do's and Dont's'. I/We do hereby agree to be bound by such provisions as outlined in these documents. I/we have read, understood, agreed and received a duly executed copy of the:- • Account Opening Form, Trading Account Related Details and Tariff Sheet • Other disclosure/documents as agreed by me/us specifically in voluntary segment. • Terms & Conditions as mutually agreed by me/us • FATCA & CRS Terms & Conditions • Option Consent Letter • Other disclosure/documents as agreed by me/us specifically in voluntary segment. I/We have also been informed that the standard set of documents has been displayed for Information on stock broker's designated website, if any.

Select and Sign against the Segment of Exchange in which Trading facility required:

1. I/We are interested to trade into commodity options and hereby accord my/our consent to trading in commodity options.
2. I/We have gone through the additional risk disclosure document and have appraised myself/ourselves with the risk of trading in commodity options.
3. This consent is valid till I/we revoke the same. I/We understand that I/we have right to withdraw the same at any point of time.

# If, in future, the client wants to trade on any new segment/new exchange, separate authorization/letter should be taken from the client by the stock broker.

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## GENERAL AUTHORISATION BY THE CLIENT

Bharat Bhushan Equity Traders Limited

503, Rohit House, 3 Tolstoy Marg, New Delhi -110001

### A. VERBAL ORDER ACCEPTANCE AUTHORISATION

Date :

I/we am dealing with you as client at NSE/BSE/MSEI in Capital, Derivative & Currency Derivative Segment. As my/our broker i.e. agent I/We direct and authorize you to carry out trading/ dealing on my/our behalf as per instruction given below.

I/We agree and acknowledge that it is advised by you that I/We should give instruction for order placement/ modification and cancellation in writing and to avoid disputes, I/We must give instruction in exactly the format in duplicate (carbon copy/ photocopy only) and take signatures of at least two authorized officers at the branch along with company stamp on the carbon copy/ photocopy of the instructions in acknowledgment of receipt of my our instructions.

However as I/We shall be dealing by ordering over phone and even if we visit the branch, the fluctuations in market are so rapid the it is not practical to give written instructions for order placement/modification and cancellation, I/We hereby authorize you to accept my/our authorized representative's verbal instructions for order placement/modification and cancellation in person or over phone (fixed line/mobile phone) and execute the same. I/ We understand the risk associated with verbal orders and accept the same, and agree that I/We shall not be entitled to disown orders and consequent trades (if any) by shifting the burden of proof by asking you to prove the placement/modification and cancellation of orders through telephone recording or otherwise.

I/We shall be liable for all losses, damages and actions which may arise as a consequence of your adhering to and carrying out my/our directions given above.



## B. FIT AND PROPER PERSON DECLARATION

As per Regulation 19(1) of Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012 (SECC Regulations) which states that no person shall, directly or indirectly, acquire or hold equity shares of a recognised Stock Exchange or recognised Clearing Corporation unless he is a fit and proper person in terms of Regulation 19 and 20 of the said SECC Regulations.

Regulations 19 and Regulations 20 as prescribed by SEBI (herein referred as “Board”) are reproduced below:

### A. Eligibility for acquiring or holding shares.

(1) No person shall, directly or indirectly, acquire or hold equity shares of a recognised stock exchange or recognised clearing corporation unless he is a fit and proper person.

(2) Any person who, directly or indirectly, either individually or together with persons acting in concert, acquire equity shares such that his shareholding exceeds two per cent of the paid up equity share capital of a recognised stock exchange or recognised clearing corporation shall seek approval of the Board within fifteen days of the acquisition.

(3) A person eligible to acquire or hold more than five per cent of the paid up equity share capital under sub- regulation (2) of regulation 17 and sub-regulation (2) of regulation 18 may acquire or hold more than five per cent of the paid up equity share capital of a recognised stock exchange or a recognised clearing corporation only if he has obtained prior approval of the Board.

(4) Any person holding more than two per cent. of the paid up equity share capital of the recognised stock exchange or the clearing corporation on the date of commencement of these regulations, shall ensure compliance with this regulation within a period of ninety days from the date of such commencement.

(5) If approval under sub-regulation (2) or (3) is not granted by the Board to any person, such person shall forthwith divest his excess shareholding.

(6) Any person holding more than two per cent. of the paid up equity share capital in a recognised stock exchange or a recognised clearing corporation, as the case may be, shall file a declaration within fifteen days from the end of every financial year to the recognised stock exchange or recognised clearing corporation, as the case may be, that he complies with the fit and proper criteria provided in these regulations.

### B. Fit and proper criteria.

(1) For the purposes of these regulations, a person shall be deemed to be a fit and proper person if—

(a) such person has a general reputation and record of fairness and integrity, including but not limited to—

- (i) financial integrity;
- (ii) good reputation and character; and
- (iii) honesty;

- (b) such person has not incurred any of the following disqualifications—
- (i) the person, or any of its whole time directors or managing partners, has been convicted by a court for any offence involving moral turpitude or any economic offence or any offence against the securities laws;
  - (ii) an order for winding up has been passed against the person;
  - (iii) the person, or any of its whole time directors or managing partners, has been declared insolvent and has not been discharged;
  - (iv) an order, restraining, prohibiting or debarring the person, or any of its whole time directors or managing partners, from dealing in securities or from accessing the securities market, has been passed by the Board or any other regulatory authority, and a period of three years from the date of the expiry of the period specified in the order has not elapsed;
  - (v) any other order against the person, or any of its whole time directors or managing partners, which has a bearing on the securities market, has been passed by the Board or any other regulatory authority, and a period of three years from the date of the order has not elapsed;
  - (vi) the person has been found to be of unsound mind by a court of competent jurisdiction and the finding is in force; and
  - (vii) the person is financially not sound.
- (2) If any question arises as to whether a person is a fit and proper person, the Board's decision on such question shall be final.

I/we hereby declare that, I/we am/are fit & Proper person as per the above rules & Regulations of the SEBI.

### C. GENERAL AUTHORITY

Sub: Letter of Authority

I/we dealing with you as client at NSE/BSE/MSEI in Capital, Derivative & Currency Derivative Segment and in order to facilitate ease of operations, I/We authorise you as under :

1. I/We authorise you to set off outstanding in any of my/our accounts against credits available or arising in any other accounts maintained with you irrespective of the fact that such credits in the accounts may pertain to transactions in any segment of the Exchange or in any other exchange and/or against the value of cash margin or collateral shares provided to you by me/us.
2. I/We hereby authorise you not to provide me/us Order Confirmation/ Modification / Cancellation Slips and Trade Confirmation Slips to avoid unnecessary paper work. I/We shall get the required details from contract notes issued by you.
3. I/We hereby authorise you to keep all securities which I/We have given you in margin including the payout securities received by us for meeting margin/order obligation in any of the stock exchanges/clearing house/clearing corporation in whatever manner which may include pledging of shares in favor of bank and/or taking loan against the same or meeting margin/pay-in obligation on my/our behalf or for giving the same as margin to any of the stock exchanges/ clearing house/clearing corporation or otherwise. Further, I/We shall

when called upon to do so forthwith from time to time provide a Margin Deposit and/or furnish additional Margin as required under the Rules and Regulations in respect of the business done by me and/or as agreed upon by me with the Trading Member.

4. I/We request you to retain credit balance in any of my/our account and to use the unused funds towards my/our margin/future obligation at any or all the Exchanges unless I/We instruct you otherwise. I/We also authorize you to debit the necessary demat charges from time to time, for keeping the shares in your client demat beneficiary account on my behalf. I/We also authorise you to debit the financial charges @2% p.m., for the debit balances or delay payment charges at the rate prescribed by exchange for shortage in margin/debit balances, if any, in my account and not settled as per the exchange requirements.

5. I/We request you to retain Securities in your demat account for my/our margin/future obligations at all Exchanges, unless I/We instruct you to transfer the same to my/our account.

6. I/We request you to consider my/our telephonic instructions for order placing/order modification/order cancellation as a written instruction and give me/us all the confirmation on telephonic unless instructed otherwise in writing. I/We am/are getting required details from contracts issued by you.

7. We request that you/exchange/other regulatory authority may send/dispatch us contract notes/e-mail alert/other documents through e-mail on my/our designated e-mail address mentioned by me/us in KYC. I/We will completely rely on the log reports of you dispatching software as a conclusive proof of dispatch of e-mail to me/us and will not dispute on the same. I/We note that non-receipt of bounced mail notification by the stock broker shall amount to delivery of the contract note at my/our e-mail ID.

8. I/We will inform you the change of my/our demographic detail and other detail like Bank, DP etc.

9. I/We are aware and acknowledge that trading of all exchanges is in Electronic mode, based on Vsat, lease line, ISDN, Modem, VPN, Internet and/or combination of technologies and computer system to place and route order and also involves many uncertain factors and complex hardware, software, systems, communication lines, peripherals, pay in payout of funds & securities, online & offline banking etc. these are susceptible to interruptions, delay, mistake and dislocations; and your services may at any time be unavailable without further notice and I/we understand that there exists a possibility of communication failure or system problems or slow or delay response from system or trading half, or any such other problem/glitch whereby not been able to establish access to the trading system/network or delay in execution of trades, which may be beyond your control any may result in delay in processing or not processing of any orders either in part or in full. I understand that you are not making any representation or warranty that your service will be available to the Client at all times without any interruption. I/We agree that I/We shall not have any claim for any loss incurred by me/us against you on account of any suspension, delay, interruption, nonavailability or malfunctioning of your System or Service for any reason whatsoever.

10. I/We confirm that I/We never sublet the trading terminal on any term of connectivity from my place to any other place without your prior approval.

11. I/We am/are agreeable for inter-settlement transfer of securities towards settlement.

12. I/we am/are agreeable for & authorise you to with hold funds pay-out towards all the applicable margins and debits.
13. All fines/penalties and charges levied upon you due to my acts / deeds or transaction may be recovered by you from my account.
14. I have a Trading As well as depository relationship with Bharat Bhushan Equity Traders Limited Please debit the charges relevant with depository services to my trading account. I also agree to maintain the adequate balance in my trading account/ pay adequate advance fee for the said reason.
15. I authorise you to send me the physical Contract notes/Margin statement/Ledger/Other documents through postal/courier and to charge administrative/postal/other charges if the contract notes sent to me get bounced more than 5 times.
16. For the purpose of providing quality and transparent services to its clients, the Company may record your conversation while interacting with you."

Yours faithfully,

#### D. LETTER OF AUTHORISATION TO PLEDGE THE SECURITIES WITH CLEARING MEMBER/ CLEARING CORPORATION

I/We are dealing through you as a client registered in NSE/BSE/MSEI in Capital Market/ Future & Options/ Currency Derivatives/ Commodity Segments. I have given you the securities as margin. I hereby confirm and declare that:

- (i) The Securities are in existence, owned by me/us and are and shall be free from any charge, lien or encumbrance, whether prior or otherwise
- (ii) The Securities will be subject to the creation of pledge in favour of or for the benefit of Trading Member and further that the Securities over which pledge may be created in future would be in existence and owned by me/us at the time of creation of such pledge and that the Said Securities to be given in future as security to Trading Member would likewise be unencumbered, absolute and disposable property of me/us.
- (iii) I authorise you to do all such acts and things, sign such documents and pay and incur any such costs, debts and expenses as may be necessary from time to time.
- (iv) I/ we agree that the securities shall be subject to the first priority and lien in favour of Trading Member to secure, my/ our obligations and that the rights or interests of me/ us with respect to the Said Securities shall be subject and subordinate to the rights, claims and interests of Trading Member in respect of the Said Securities
- (v) You may invoke the pledge without any reference to or permission of me/ us and upon receipt of the Said Securities, Trading Member may utilize the proceeds in meeting my/our obligations in such manner as it may deem fit and that such invocation of pledge will be final and irrevocable against me/us.
- (vi) I/we shall not make any claims or demands for refund or any reimbursement in relation to the Said Securities.

#### E. RUNNING ACCOUNT AUTHORISATION

I/We are dealing through you as a client in Capital Market and/or Future & Option segment and/or Currency segment and/or Interest Rate future Segment and/or Mutual Fund Segment & in order to facilitate ease of operations and upfront requirement of margin for trade. I/We authorize you as under:

1. I/We request you to maintain running balance in my account & retain the credit balance in any of my/our account and to use the unused funds towards my/our margin/pay-in/other future obligation(s) at any segment(s) of any or all the

Exchange(s)/Clearing corporation unless I/we instruct you otherwise.

2. I/We request you to settle my fund once in 30 days or once in 90 days or such other higher period as allowed by SEBI/Stock Exchange time to time except the funds given towards collaterals/margin in form of Bank Guarantee and/or Fixed Deposit Receipt.

3. In case I/We have an outstanding obligation on the settlement date, you may retain the requisite securities/funds/Mutual Fund Units towards such obligations and may also retain the funds expected to be required to meet margin obligations for next 5 trading days, calculated in the manner specified by the exchanges.

4. I/We confirm you that I will bring to your notice any dispute arising from the statement of account or settlement so made in writing within 7 working days from the date of receipt of funds/securities or statement of account or statement related to it, as the case may be at your registered office.

5. I/We further authorize you to retain an amount of upto Rs. 10,000/- (net amount across segment and across stock exchanges) in order to avoid administrative/operational difficulties in settling my/our account. The same may be released on my/our specific request.

The running account authorization provided by me shall continue and remain valid until it is revoked by me anytime in writing.

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‘AADHAAR LINKING

I/We know that Ministry of Finance (Dept. of Revenue) vide Notification G.S.R. 538 (E), dated 1st June, 2017, mandated linking of Aadhaar number with Trading / Demat / PMS / AMCS / MFS accounts. The purpose of collection/usage of Aadhaar number including demographic information is to comply with applicable laws / rules / regulations and provision of the said applicable laws / rules / regulations. After obtaining my Aadhaar number, you will authenticate the same in accordance with the Aadhaar Act, 2016 and shall receive Biometric/demographic information which you can only used to comply with said applicable laws/rules/regulations. .

In reference to the aforesaid compliance requirement, hereby provide my / our consent to bbetl in accordance with Aadhaar Act, 2016 and regulations made there under, for (i) collecting, storing and usage (ii) validating / authenticating and

(ii) updating my/our Aadhaar number(s) in accordance with the Aadhaar Act, 2016 (and regulations made there under) and PMLA.

I / We hereby provide my / our consent for sharing / disclosed of the Aadhaar number(s) including demographic information with BBETL group of companies, SEBI, Exchanges, CKYC, KRA, Depositories and any other institutions / agencies as per requirement.

Close

I Agree