

FORM NO.

50 years
with you

**BHARAT
BHUSHAN**

S I N C E 1 9 5 4

Bharat Bhushan Equity Traders Ltd.

Member NSE Capital Market, Currency Derivatives & F&O Market
BSE Capital Market, MCX – SX Currency Derivatives Segment

CLIENT REGISTRATION KIT (CASH, F&O AND CURRENCY)

For: INDIVIDUAL HUF PROPRIETORSHIP FIRM NRI CORPORATE



BRANCH CODE/NAME		
GROUP (RM) CODE/NAME		
CLIENT CODE/NAME		
SQUARE UP		
DATE OF OPENING		

Thinking Investments...Contact Bharat Bhushan

INDEX OF DOCUMENTS

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MANDATORY DOCUMENTS AS PRESCRIBED BY SEBI & EXCHANGES			
1.	Account Opening Form	A. KYC form - Document captures the basic information about the constituent and an instruction/check list.	1 to 5
		B. Document captures the additional information about the constituent relevant to trading account and an instruction/check list.	6 to 9
2.	Rights and Obligations	Document stating the Rights & Obligations of stock broker/trading member, sub-broker and client for trading on exchanges (including additional rights & obligations in case of internet/wireless technology based trading)	As per separate Booklet Page 1-8
3.	Risk Disclosure Document (RDD)	Document detailing risks associated with dealing in the securities market.	
4.	Guidance note	Document detailing do's and don'ts for trading on exchange, for the education of the investors.	
5.	Policies and Procedures	Document describing significant policies and procedures of the stock broker	10 to 13
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BHARAT BHUSHAN EQUITY TRADERS LIMITED

SEBI REGN NO.: DATE
 NSE Cash-INB230772430 30/08/1995
 *NSE F&O-INF230772430 05/10/2000
 *NSE CDS-INE230772430 27/08/2008
 BSE Cash-INB010772433 31/03/2005
 *MCX-SX- INE260772430 30/09/2008

5 - E Rani Jhansi Road, Jhandewalan Extn., New Delhi - 110055

Ph.: +91-11-43566777/ 700 • Fax : +91-11-23540996
 Email: nse@bharatbhushan.com • Website: www.bbinvestments.in

Compliance Officer's Details

Name : Mr. Bibhu Prasad Ph.: +91-11-43466777
 E-mail Id : prasad@bhartbhushan.com

CEO's Details

Name : Mr. Vijay Bhushan Ph.: +91-11-49800900
 E-mail Id : corporate@bharatbhushan.com

For any grievance/dispute please contact **BHARAT BHUSHAN EQUITY TRADERS LIMITED.** at the above address or email id- **investorgrievance@bharatbhushan.com** and Phone No. 43566777. In case not satisfied with the response, please contact the concerned exchange(s) at :

Exchange Name

National Stock Exchange of India Ltd.
 Bombay Stock Exchange Ltd.
 MCX Stock Exchange Ltd.

E-mail ID

ignse@nse.co.in
 iscdelhi@bseindia.com
 investorcomplaints@mcx-sx.com

Phone No.

011-23344313 Toll Free : 1800 22 0051
 011-41510481
 011-43560050

* Clearing Member : GLOBE CAPITAL MARKET LTD.

609, Ansal Bhawan, 16, K.G. Marg, Connaught Place, New Delhi-110 001

NSE F&O (SEBI Regn. No. INF230663732) / NSE CD (SEBI Regn. No. INE230663732) / MCX-SX CD (SEBI Regn. No. INE260663732)

A. IMPORTANT POINTS

1. Self attested copy of PAN card is mandatory for all clients, including Promoters/Partners/Karta/Trustees and whole time directors and persons authorized to deal in securities on behalf of company/firm/others.
2. Copies of all the documents submitted by the applicant should be self-attested and accompanied by originals for verification. In case the original of any document is not produced for verification, then the copies should be properly attested by entities authorized for attesting the documents, as per the below mentioned list.
3. If any proof of identity or address is in a foreign language, then translation into English is required.
4. Name & address of the applicant mentioned on the KYC form, should match with the documentary proof submitted.
5. If correspondence & permanent address are different, then proofs for both have to be submitted.
6. Sole proprietor must make the application in his individual name & capacity.
7. For non-residents and foreign nationals, (allowed to trade subject to RBI and FEMA guidelines), copy of passport/ PIO Card/OCI Card and overseas address proof is mandatory.
8. For foreign entities, CIN is optional; and in the absence of DIN no. for the directors, their passport copy should be given.
9. In case of Merchant Navy NRI's, Mariner's declaration or certified copy of CDC (Continuous Discharge Certificate) is to be submitted.
10. For opening an account with Depository participant or Mutual Fund, for a minor, photocopy of the School Leaving Certificate/Mark sheet issued by Higher Secondary Board/Passport of Minor/Birth Certificate must be provided.
11. Politically Exposed Persons (PEP) are defined as individuals who are or have been entrusted with prominent public functions in a foreign country, e.g., Heads of States or of Governments, senior politicians, senior Government/judicial/ military officers, senior executives of state owned corporations, important political party officials, etc.

B. Proof of Identity (POI)

List of documents admissible as Proof of Identity:

1. Unique Identification Number (UID) (Aadhaar)/ Passport/ Voter ID card/ Driving license.
2. PAN card with photograph.
3. Identity card/ document with applicant's Photo, issued by any of the following: Central/State Government and its Departments, Statutory/Regulatory Authorities, Public Sector Undertakings, Scheduled Commercial Banks, Public Financial Institutions, Colleges affiliated to Universities, Professional Bodies such as ICAI, ICWAI, ICSI, Bar Council etc., to their Members; and Credit cards/

Debit cards issued by Banks.

C. Proof of Address (POA)

List of documents admissible as Proof of Address:

(*Documents having an expiry date should be valid on the date of submission.)

1. Passport/ Voters Identity Card/ Ration Card/ Registered Lease or Sale Agreement of Residence/ Driving License/ Flat Maintenance bill/ Insurance Copy.
2. Utility bills like Telephone Bill (only land line), Electricity bill or Gas bill - Not more than 3 months old.
3. Bank Account Statement/Passbook -- Not more than 3 months old.
4. Self-declaration by High Court and Supreme Court judges, giving the new address in respect of their own accounts.
5. Proof of address issued by any of the following: Bank Managers of Scheduled Commercial Banks/Scheduled Co-Operative Bank/Multinational Foreign Banks/ Gazetted Officer/Notary. public/Elected representatives to the Legislative Assembly/ Parliament/Documents issued by any Govt. or Statutory Authority.
6. Identity card/ document with address, issued by any of the following: Central/State Government and its Departments, Statutory/Regulatory Authorities, Public Sector Undertakings, Scheduled Commercial Banks, Public Financial Institutions, Colleges affiliated to Universities and Professional Bodies such as ICAI, ICWAI, ICSI, Bar Council etc., to their Members.
7. For FII/sub account, Power of Attorney given by FII/sub-account to the Custodians (which are duly notarized and/ or apostiled or consularised) that gives the registered address should be taken.
8. The proof of address in the name of the spouse may be accepted.

D. Exemptions/clarifications to PAN

(*Sufficient documentary evidence in support of such claims to be collected.)

1. In case of transactions undertaken on behalf of Central Government and/or State Government and by officials appointed by Courts e.g. Official liquidator, Court receiver etc.
2. Investors residing in the state of Sikkim.
3. UN entities/multilateral agencies exempt from paying taxes/filing tax returns in India.
4. SIP of Mutual Funds upto Rs 50, 000/- p.a.
5. In case of institutional clients, namely, FIIs, MFs, VCFs, FVCIs, Scheduled Commercial Banks, Multilateral and Bilateral Development Financial Institutions, State Industrial Development Corporations, Insurance Companies registered with IRDA and Public Financial Institution as defined under section 4A of the Companies Act, 1956, Custodians shall verify the PAN card details with the original PAN card and provide duly certified copies of such verified PAN details to the intermediary.

E. List of people authorized to attest the documents:

1. Notary Public, Gazetted Officer, Manager of a Scheduled Commercial/ Co-operative Bank or Multinational Foreign Banks (Name, Designation & Seal should be affixed on the copy).

2. In case of NRIs, authorized officials of overseas branches of Scheduled Commercial Banks registered in India, Notary Public, Court Magistrate, Judge, Indian Embassy /Consulate General in the country where the client resides are permitted to attest the documents.

- F. In case of Non-Individuals, additional documents to be obtained from non-individuals, over & above the POI & POA, as mentioned below :

Type of Entity	Documentary Requirements
Corporate	<ul style="list-style-type: none"> • Copy of the balance sheets for the last 2 financial years (to be submitted every year). • Copy of latest share holding pattern including list of all those holding control, either directly or indirectly, in the company in terms of SEBI takeover Regulations, duly certified by the company secretary/Whole time director/MD (to be submitted every year). • Photograph, POI, POA, PAN and DIN numbers of whole time directors/two directors in charge of day to day operations. • Photograph, POI, POA, PAN of individual promoters holding control - either directly or indirectly. • Copies of the Memorandum and Articles of Association and certificate of incorporation. • Copy of the Board Resolution for investment in securities market. • Authorised signatories list with specimen signatures.
Partnership Firm	<ul style="list-style-type: none"> • Copy of the balance sheets for the last 2 financial years (to be submitted every year). • Certificate of registration (for registered partnership firms only). • Copy of partnership deed. • Authorised signatories list with specimen signatures. • Photograph, POI, POA, PAN of Partners.
Trust	<ul style="list-style-type: none"> • Copy of the balance sheets for the last 2 financial years (to be submitted every year). • Certificate of registration (for registered trust only). • Copy of Trust deed. • List of trustees certified by managing trustees/CA. • Photograph, POI, POA, PAN of Trustees.
HUF	<ul style="list-style-type: none"> • PAN of HUF. • Deed of declaration of HUF/ List of coparceners. • Bank pass-book/bank statement in the name of HUF. • Photograph, POI, POA, PAN of Karta.
Unincorporated Association or a Body of Individuals	<ul style="list-style-type: none"> • Proof of Existence/Constitution document. • Resolution of the managing body & Power of Attorney granted to transact business on its behalf. • Authorized signatories list with specimen signatures.
Banks/Institutional Investors	<ul style="list-style-type: none"> • Copy of the constitution/registration or annual report/balance sheet for the last 2 financial years. • Authorized signatories list with specimen signatures.
Foreign Institutional Investors (FII)	<ul style="list-style-type: none"> • Copy of SEBI registration certificate. • Authorized signatories list with specimen signatures.
Army/Government Bodies	<ul style="list-style-type: none"> • Self-certification on letterhead. • Authorized signatories list with specimen signatures.
Registered Society	<ul style="list-style-type: none"> • Copy of Registration Certificate under Societies Registration Act. • List of Managing Committee members. • Committee resolution for persons authorised to act as authorised signatories with specimen signatures. • True copy of Society Rules and Bye Laws certified by the Chairman/Secretary.

Please fill this form in **ENGLISH** and in **BLOCK LETTERS**

FOR INDIVIDUAL

Please affix your recent passport size photograph and sign across it

A. IDENTITY DETAILS

Name of the Applicant :

Father's/Spouse Name :

Gender : Male Femal **Marital Status** Single Married

Date of Birth : Nationality :

Status : Resident Individual Non Resident Foreign National

PAN :

Unique Identification Number (UID)/ Aadhaar, if any :

Specify the proof of Identity submitted :

B. ADDRESS DETAILS

Address for :

Correspondence City/Town/Village : Pin Code :

State : Country :

Contact Details : Tel. (Office) : Tel. (Res.) : Mobile :

Fax : E-mail :

Specify the proof of address submitted for correspondence address :

Permanent Address :

(if different from above or overseas address, mandatory for Non-Resident Applicant) City/Town/Village : Pin Code :

State : Country :

Specify the proof of address submitted for permanent address :

C. OTHER DETAILS

Gross Annual Income Details (please specify):

Income Range per annum Below ₹ 1 Lac ₹ 1-5 Lac ₹ 5- 10 Lac ₹ 10-25 Lacs Above ₹ 25 Lacs

OR Net-worth as on (Net worth should not be older than 1 year)

Occupation (please tick any one and give brief details)

Private Sector Public Sector Government Service Business Professional Agriculturist

Retired Housewife Student Others _____

Please tick, If applicable Politically Exposed Person (PEP) Related to a Politically Exposed Person (PEP)

Any Other Information :

DECLARATION

I hereby declare that the details furnished above are true and correct to the best of my knowledge and belief and I undertake to inform you of any changes therein, immediately. In case any of the above information is found to be false or untrue or misleading or misrepresenting, I am aware that I may be held liable for it.

Signature of the Applicant  _____ Date :

FOR OFFICE USE ONLY

(Originals verified) True copies of documents received

(Self-Attested) Self Certified Document copies received

Signature of the Authorised Signatory Date :

Seal/Stamp of the Intermediary

Please fill this form in **ENGLISH** and in **BLOCK LETTERS**

FOR NON-INDIVIDUAL

Please affix
your recent
passport size
photograph and
sign across it

A. IDENTITY DETAILS

Name of the Applicant :

Date of incorporation :

Place of Incorporation :

Date of Commencement of Business :

PAN : Registration No. (e.g. CIN) :

Status (please tick any one) : Private Limited Co. Public Ltd. Co. Body Corporate Partnership

Trust Charities NGO's FI FII HUF Bank

Government Body Non-Government Organization Defense Establishment

BOI Society LLP Others (please specify).....

B. ADDRESS DETAILS

Address for :

Correspondence City/Town/Village : Pin Code :

State : Country :

Contact Details : Tel. (Office) : Tel. (Res.)..... Mobile :

Fax : E-mail :

Specify the proof of address submitted for correspondence address :

Registered Address :

(if different from above) City/Town/Village : Pin Code :

State : Country :

Specify the proof of address submitted for Registered Address :

C. OTHER DETAILS

Gross Annual Income Details (please specify): Income Range per annum

Below ₹ 1 Lac ₹ 1-5 Lac ₹ 5- 10 Lac ₹ 10-25 Lacs ₹ 25 Lacs - 1 Crore Above ₹ 1 Crore

Net-worth as on (*Net worth should not be older than 1 year)

Name, PAN, residential address and photographs of Promoters/Partners/Karta/Trustees and whole time directors

Name (1) :

PAN :

Residential :

Address City/Town/Village : Pin Code :

State : Country :

DIN / UID :

Photographs of
Promoters/Partners/
Karta/
Trustees and whole
time directors

Please tick, if applicable, for any of your authorized signatories/Promoters/Partners/Karta/Trustees/whole time directors:

Politically Exposed Person (PEP) Related to a Politically Exposed Person (PEP)

Any Other Information :

Name (2) :
 PAN :
Residential :
Address City/Town/Village : Pin Code :
 State : Country :
 DIN / UID :

Photographs of Promoters/Partners/Karta/Trustees and whole time directors

Please tick, if applicable, for any of your authorized signatories/Promoters/Partners/Karta/Trustees/whole time directors:

Politically Exposed Person (PEP) Related to a Politically Exposed Person (PEP)

Any Other Information :

Name (3) :
 PAN :
Residential :
Address City/Town/Village : Pin Code :
 State : Country :
 DIN / UID :

Photographs of Promoters/Partners/Karta/Trustees and whole time directors

Please tick, if applicable, for any of your authorized signatories/Promoters/Partners/Karta/Trustees/whole time directors:

Politically Exposed Person (PEP) Related to a Politically Exposed Person (PEP)

Any Other Information :

Name (4) :
 PAN :
Residential :
Address City/Town/Village : Pin Code :
 State : Country :
 DIN / UID :

Photographs of Promoters/Partners/Karta/Trustees and whole time directors

Please tick, if applicable, for any of your authorized signatories/Promoters/Partners/Karta/Trustees/whole time directors:

Politically Exposed Person (PEP) Related to a Politically Exposed Person (PEP)

Any Other Information :

DECLARATION

I/We hereby declare that the details furnished above are true and correct to the best of my/our knowledge and belief and I/we undertake to inform you of any changes therein, immediately. In case any of the above information is found to be false or untrue or misleading or misrepresenting, I am/we are aware that I/we may be held liable for it.

Name : **Signature of the Authorised Signatory/ies** 

Signature of the Authorised Signatory/ies 

Signature of the Authorised Signatory/ies 

Date :

FOR OFFICE USE ONLY

(Originals verified) True copies of documents received
 (Self-Attested) Self Certified Document copies received

Signature of the Authorised Signatory Date :

Seal/Stamp of the Intermediary

H. NOMINATION DETAILS (for Individuals only)

I/We wish to nominate I/We do not wish to nominate

Name of the Nominee :

Relationship with the Nominee :

PAN of Nominee : Date of Birth of Nominee :

Address of Nominee :

City/Town/Village :Pin Code :

State :Country :

Phone No. :

Signature of nominee : 

If Nominee is a minor, details of guardian

Name of Guardian :

Address of Guardian :

City/Town/Village :Pin Code :

State :Country :

Phone No. :

Signature of Guardian :

WITNESSES (Only applicable in case the account holder has made nomination)

1st Witness

Name :

Signature :

Address :

.....Pin Code :

2nd Witness

Name :

Signature :

Address :


.....Pin Code :

DECLARATION

1. I/We hereby declare that the details furnished above are true and correct to the best of my/our knowledge and belief and I/we undertake to inform you of any changes therein, immediately. In case any of the above information is found to be false or untrue or misleading or misrepresenting, I am/we are aware that I/we may be held liable for it.
2. I/We confirm having read/been explained and understood the contents of the document on policy and procedures of the stock broker and the tariff sheet.
3. I/We further confirm having read and understood the contents of the 'Rights and Obligations' document(s) and 'Risk Disclosure Document'. I/We do hereby agree to be bound by such provisions as outlined in these documents. 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.

Place :

Date :



Signature of Client / (all) Authorised Signatory (ies)

FOR OFFICE USE ONLY

UCC Code allotted to the Client :

	Documents verified with Originals	Client Interviewed By	In-Person Verification done by
Name of the Employee			
Employee Code			
Designation of the Employee			
Date			
Signature			

Account Opened by :

Exchange acted & Mapped by :

Rechecked by :

I / We undertake that we have made the client aware of 'Policy and Procedures', tariff sheet and all the non-mandatory documents. I/We have also made the client aware of 'Rights and Obligations' document (s), RDD and Guidance Note. I/We have given/sent him a copy of all the KYC documents. I/We undertake that any change in the 'Policy and Procedures', tariff sheet and all the non-mandatory documents would be duly intimated to the clients. I/We also undertake that any change in the 'Rights and Obligations' and RDD would be made available on my/our website, if any, for the information of the clients.

Signature of the Authorised Signatory

Date

Seal/Stamp of the Stock Broker

ADDITIONAL INSTRUCTIONS/ CHECK LIST FOR DERIVATIVES

1. Additional documents in case of trading in derivatives segments - illustrative list:
 - Copy of ITR Acknowledgement
 - Copy of Annual Accounts
 - In case of salary income - Salary Slip, Copy of Form 16
 - Net worth certificate
 - Copy of demat account holding statement.
 - Bank account statement for last 6 months
 - Any other relevant documents substantiating ownership of assets.
 - Self declaration with relevant supporting documents.
 - * In respect of other clients, documents as per risk management policy of the stock broker need to be provided by the client from time to time.
2. Copy of cancelled cheque leaf/ pass book/bank statement specifying name of the constituent, MICR Code or/and IFSC Code of the bank should be submitted.
3. Demat master or recent holding statement issued by DP bearing name of the client.
4. **For Individuals**
 - a. Stock broker has an option of doing 'in-person' verification through web camera at the branch office of the stock broker/sub-broker's office.
 - b. In case of non-resident clients, employees at the stock broker's local office, overseas can do in-person' verification. Further, considering the infeasibility of carrying out 'In-person' verification of the non-resident clients by the stock broker's staff, attestation of KYC documents by Notary Public, Court, Magistrate, Judge, Local Banker, Indian Embassy / Consulate General in the country where the client resides may be permitted.
5. **For Non-Individuals**
 - a. Form need to be initialized by all the authorized signatories.
 - b. Copy of Board Resolution or declaration (on the letterhead) naming the persons authorized to deal in securities on behalf of company/firm/others and their specimen signatures.

POLICIES AND PROCEDURES:**1. Refusal of orders for penny stocks:**

BHARAT BHUSHAN EQUITY TRADERS LIMITED shall have the absolute discretion to accept, refuse or partially accept any buy or sell order for execution from a client in respect of penny stock, illiquid stocks having low liquidity, illiquid "options", far month "option" writing of "options", stocks in S, Z and B2 Category and any other contracts which as per the perception of stock Broker are extremely volatile or subject to market manipulation.

Stock broker is advising to the clients not to deal in penny securities and if client deals with the penny stocks, 100% margin will be taken from the client and these shares will not be taken to as Margin deposit. The stock broker shall have authority from time to time limit (quantity/ value) or refuse orders in one or more securities due to various reasons including market liquidity, value of security(ies) or may require compulsory settlement / advance payment of expected settlement value/ delivery of securities for settlement prior to acceptance / placement of order(s) as well, the order being for securities which are not in the permitted list of the stock broker / exchange(s) / SEBI or does not commensurate with the risk profile of the client as assessed by the broker. Decision of Broker will be binding on the client and will be final.

2. Setting Up Client's Exposure Limits:

The client agrees to abide by the exposure limits, if any, set by the stock broker or by the Exchange or Clearing Corporation or SEBI from time to time. The client is aware and agrees that the stock broker may need to vary or reduce or impose new limits urgently on the basis of the stock broker's risk perception, risk profile of the client 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.).

In case margin is kept in securities, Broker would value these securities after applying such haircut as it deems appropriate. Similarly for providing exposure to client, Broker can pledge such securities in favor of clearing member/ Clearing Corporation or Bank.

The stock broker may be unable to inform the client of 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. Sometimes client's sauda may go to IOC (Immediate or Cancel) instead of normal bidding if broker terminal is on square off mode.

The Stock Broker at its sole discretion can give extra exposure or intraday limit to the client, such extra exposure will automatically be squared off by trading mechanism without any further reference to the client appx. 15 minutes before the scheduled closing.

3. Applicable Brokerage Rate:

Brokerage shall be applied as per the rates agreed upon with the client in the KYC at the time of registration of the client and/or subsequently through a written agreement between client and BHARAT BHUSHAN EQUITY TRADERS LIMITED. The rate of Brokerage shall not exceed the maximum brokerage permissible under Exchange bye-laws.

The slab rates of brokerage fixed by BHARAT BHUSHAN EQUITY TRADERS LIMITED are function of the quality and cost of services provided to the client and the volume and revenue expected from an account. It shall be reviewed by the BHARAT BHUSHAN EQUITY TRADERS LIMITED from time to time and may be increased with prospective effect at a notice of 15 Days sent to the E-mail address or postal address of the client registered with BHARAT BHUSHAN EQUITY TRADERS LIMITED

The brokerage shall however be exclusive of the following:

- DP Annual maintenance charges
- DP transaction charges/Pledge/Re-pledge/Demat/ Re-mat Charges
- DP Inter settlement charges
- Account Opening Charges
- Delayed payment charges
- Penalties levied by Exchange
- Research advisory charges
- Courier charges
- Bank charges towards the cheques received unpaid
- DP, Bank and other processing charges towards periodic settlement of Funds/Securities on periodic basis.
- Statutory charges payable to Exchange/SEBI/Govt. Authorities etc.
- SEBI/Exchange/Clearing Member Turnover charges
- Other out of pocket and services related charges

4. Imposition of penalty/delayed payment charges by either party, specifying the rate and the period (This must not

result in funding by the broker in contravention of the applicable laws)

Client shall be liable to penalty and other charges on nonpayment of margin money, short selling of securities or units, failure on payment of auction, cheque bounce, non delivery of shares, increase open position or on any orders / trades / deals / actions of the client which are contrary to this agreement / rules / regulations / bye laws of the exchange or any other law for the time being in force as per Rules, Regulations, Guidelines and Circulars issued by SEBI and stock exchange time to time and client will be kept informed about the rate of such penalties & fines. Similarly in case of non receipt of full payment of value of delivery purchased, margin imposed (initial + MTM) interest will be charged at 21% p.a. calculated on daily basis on shortfall amount till the date of actual realization of money.

However, broker will not pay any interest on unutilized margin or balance in trading Account of the clients. In case of repeated violation by client, additional penalty (as disclosed on website) will be levied.

All fines/penalties and charges levied upon the Client due to its acts / deeds or transactions will be recovered by the Stock Broker directly from the client's account.

5. The right to sell clients' securities or close clients' positions, without giving notice to the client, on account of non-payment of client's dues (This shall be limited to the extent of settlement/margin obligation)

BHARAT BHUSHAN EQUITY TRADERS LIMITED shall have right to sell client's securities, both unpaid as well as collaterals deposited towards margins, or close out client's open positions, without giving notice to the client where there is a delay/failure of the client to meet the pay-in obligations and /or there is a failure of the client to bring additional margin to cover the increase in risk in the dynamic market conditions.

a. Unpaid Securities in Capital Market:-

- i. In case of unpaid obligation on T+3, BHARAT BHUSHAN EQUITY TRADERS LIMITED may sell the unpaid/ partially paid securities. In addition BHARAT BHUSHAN EQUITY TRADERS LIMITED may sell the collaterals deposited by the client towards margin and/or paid securities purchased by the client in earlier settlements where the sale of proceeds of unpaid securities are inadequate to cover the pay-in obligations and where the unpaid securities appear to be comparatively illiquid and cannot be sold at reasonable rates to the extent

required.

- ii. BHARAT BHUSHAN EQUITY TRADERS LIMITED may follow the LIFO method for liquidation of securities but it shall not be binding on it to follow this method in all cases.
- b. The Margin Shortfall in F&O:-
 - I. Positions of the client may be closed out to the extent of margin shortfall on the T+1 basis.
 - II. While computing margin shortfall, Value of unapproved securities shall not be considered.
 - III. As per the current Exchange requirements, the member Broker is required to maintain a 50:50 ratio between cash and collaterals margin deposited with the Exchange. BHARAT BHUSHAN EQUITY TRADERS LIMITED shall therefore have the prerogative to insist for at least 50% of margin in cash and may not consider the the value of securities over and above the cash component for the purpose of calculating margins shortfall and close out the F&O Position wherever it finds the deviation. However, sales made in capital market segment shall not be considered while closing F&O Positions on T+1 basis due to margin shortfall.
- C. Intra-day Positions:-

BHARAT BHUSHAN EQUITY TRADERS LIMITED shall have right to close out any intra-day Positions taken by the client after a defined " Cut-off" time (Presently 20 minutes before close of market).
- D. General
 - i. While selling the securities/ closing the clients positions, BHARAT BHUSHAN EQUITY TRADERS LIMITED may take into account the sales made by the client, Positions closed by the client or collections received from the client till cut-off time (Presently 12.45 pm).
 - ii. While selling the Securities/ Closing the clients positions, BHARAT BHUSHAN EQUITY TRADERS LIMITED may not take into consideration cheques/ Bank Drafts/ Pay orders deposited by the client with BHARAT BHUSHAN EQUITY TRADERS LIMITED until clear proceeds of such instruments are received by BHARAT BHUSHAN EQUITY TRADERS LIMITED in its bank account.
 - iii. BHARAT BHUSHAN EQUITY TRADERS LIMITED shall have the right to sell client's securities or close out client's open positions but it shall not be under

any obligations to undertake this exercise compulsorily. BHARAT BHUSHAN EQUITY TRADERS LIMITED shall therefore not be under any obligation to compensate/or provide reasons of any delay or omission on its part to sell client's securities or close open positions of the client.

6. Shortages in obligations arising out of internal netting of trades

The policy and procedure for settlement of shortages in obligations arising out of internal netting 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 +3 day which is the Auction Day on Exchange, and the purchase consideration (inclusive of all statutory taxes & levies + 5 % extra) 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 reason, the short delivering seller is debited at the closing rate on T +3 day or Auction day on Exchange +10% and buyer will be given credit. 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 after deducting exchange penalties.
- 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 auction 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

7. Conditions 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 may refuse to execute / allow execution of orders due to but not limited to the reason of lack of margin / securities or the order being outside the limits set by stock broker / exchange/ SEBI and any other reasons which the stock broker may deem appropriate in the circumstances.

1. for non-payment or erosion 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.
2. Any order which is executed without the required Margin in the Client's account or the brokers exposure is more

than 90% and above so no fresh trade will be taken.

3. The client hereby authorizes the Stock Broker to square up all his outstanding positions at the discretion of the Stock Broker, which are not marked for delivery 15 minutes before the closing time of the normal market or if the client's margin is evaporated by 90% in any of exchanges, BHARAT BHUSHAN EQUITY TRADERS LIMITED reserves the right to square off positions.
4. 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 due to any action on account of unusual trading activity or stock hitting circuit filters or for any other reason as prescribed or instructed by SEBI.
5. The stock broker is entitled to disable / freeze the account or trading facility / any other service if, in the opinion of the stock broker, the client has committed a crime, fraud or has acted in contradiction of this agreement or / evade / violate any laws, rules, regulations, directions of a lawful authority whether Indian or foreign or if the stock broker so apprehends.

Any profit/loss arising out of these transactions shall be at the risk of and borne by the client.

8. Temporarily suspending or closing a client's account at the client's request

Client may instruct the member to close out the account or suspend the trading through client's account for the period as specified in the request in written and duly signed by him. The stock broker can with hold the payouts of client and suspend his trading account due to his surveillance action or judicial or / and regulatory order/action requiring client suspension.

BHARAT BHUSHAN EQUITY TRADERS LIMITED may carry a periodic review of the client accounts and may suspend the accounts from Trading in the following circumstances:-

- Where the client is inactive for more than 6 months
- Physical contract notes are received back undelivered due to reasons like "no such person" , "addressee left", refusal to accept mails, POD's signed by the third persons, signature mismatch on POD's or other reasons which may create suspicion.
- ECN failed (Bounced email) on more than 3 instances until client submits and registers new email id.

9. 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 the market, either alone or in conjunction with others.
- ii. If the Client has voluntarily or compulsorily become the subject of proceedings under any bankruptcy or insolvency law or being a company, goes into liquidation or has a receiver appointed in respect of its assets or refers itself to the Board for Industrial and Financial Reconstruction or under any other law providing protection as a relief undertaking;
- iii. If the Client has made any material misrepresentation of facts, including (without limitation) in relation to the security transactions;
- iv. 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;
- v. If the Client suffers any adverse material change in his / her / its financial position or defaults in any other agreement with the Stock broker;
- vi. If any covenant or warranty of the Client is incorrect or untrue in any material respect; However notwithstanding any termination of the agreement, all transactions made under / pursuant to this agreement shall be subject to all the terms and conditions of this agreement and parties to this agreement submit to exclusive jurisdiction of courts of law at the place of execution of this agreement by Stock Broker.

Client Acceptance of Policies and Procedures stated hereinabove:

I/We have fully understood the same and do hereby sign the

same agree not to call into question the validity, enforceability and applicability of any provision/clauses this document any circumstances what so ever. These Policies and Procedures may be amended / changed unilaterally by the broker, provided the change is informed to me / us with through anyone or more means or methods such as post / speed post / courier / registered post / registered AD / facsimile / telegram / cable / e-mail / voice mails telephone (telephone includes such devices as mobile phones etc.) including SMS on the mobile phone or any other similar device; by messaging on the computer screen of the client's computer; by informing the client through employees / agents of the stock broker; by publishing / displaying it on the website of the stock broker / making it available as a download from the website of the stock broker; by displaying it on the notice board of the branch / office through which the client trades or if the circumstances, so require, by radio broadcast / television broadcast / newspapers advertisements etc.; or any other suitable or applicable mode or manner. I/we agree that the postal department / the courier company /newspaper company and the e-mail/ voice mail service provider and such other service providers shall be my/our agent and the delivery shall be complete when communication is given to the postal department / the courier company / the e-mail/voice mail service provider, etc. by the stock broker and I/we agree never to challenge 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 / adjudicating authority including arbitrator/ mediator etc.

I further undertake to adhere to the procedures & code of ethics prescribed by SEBI/Exchanges in this regard. Broker shall not be responsible for any transactions entered by the client in their personal capacity with the employees of broker, if any.

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TARIFF SHEET

Clinet Code : _____ Client Name : _____

CAPITAL MARKET SEGMENT				
	NSE		BSE	
	in %age terms	Minimum Paise (per share)	in %age terms	Minimum Paise(per share)
Intraday				
Delivery				
Trade to Trade				

FUTURES & OPTIONS SEGMENT			
	FUTURES		OPTIONS
	in %age terms	Minimum paise (per unit)	₹ Per Lot
NSE			
BSE			

CURRENCY DERIVATIVES SEGMENT			
	in % age terms	Minimum ₹ (per lot)	Flat Brokerage ₹ (per lot)
NSE			
MCX-SX			

MUTUAL FUNDS SEGMENT			
NSE		BSE	
in %age terms	Minimum ₹ (per unit)	in %age terms	Minimum ₹ (per unit)

* Transaction Charges, Service Tax, STT, Stamp Duty, Other Govt. Levies are extra.
 One Time Account Opening Charges (Rs.).....
 Recurring Charges : Monthly..... Quarterly..... Half Yearly..... Yearly.....
 * in case of physical contract notes, Rs. 25/- per contract note will be charged towards postage charges.



ACKNOWLEDGEMENT FROM CLIENT

VOLUNTARY

BHARAT BHUSHAN EQUITY TRADERS LIMITED

5 – E Rani Jhansi Road, Jhandewalan Extn., New Delhi - 110055

Ph. No.: 011 – 43566777/700 • Fax : 011 – 23540996 • Email: nse@bharatbhushan.com • Website: www.bbinvestments.in
 I/We hereby acknowledge the receipt of duly executed copy of KYC, Annexures 4, 5, 6 as perscribed by SEBI circular dated 22 August, 2011 and all other documents as executed by me/us. Further I/we confirm that the documents for KYC submitted by me/us are true and correct. I/we acknowledge that the other details related to my/our account are as under:

Trading Code UCC

My E-mail id



(Signature of client)

BHARAT BHUSHAN EQUITY TRADERS LIMITED

Trading & Clearing Member NSE & BSE

Trading Member MCX-SX

5 – E Rani Jhansi Road, Jhandewalan Extn., New Delhi - 110055

Ph. No.: 011 – 43566777/ 700 • Fax : 011 – 23540996

Email: nse@bharatbhushan.com • Website: www.bbinvestments.in

As our HUF firm wishes to open an account with your Company in the said name

we beg to say that the first signatory to this letter, i.e.,is the Karta of the Joint Family and other signatories are the adult co-parceners of the said family.

We further confirm that the business of the said joint family is carried on mainly by the said Karta as also by the other signatories hereto in the interest and for the benefit of the entire body of co-parceners of the joint family. We all undertake that claims due to the DP from the said family shall be recoverable personally from all or any of us and also for the entire family properties of which the first signatory is the Karta, including the share of minor co-parceners

In view of the fact that ours is not a firm governed by the Indian Partnership Act of 1952, we have not got our said firm registered under the said Act.

We hereby undertake to inform the DP of the death or birth of a co-parcener of any change occurring at any time in the membership of our joint family during the currency of the account.

Name & signature of Karta

Name..... Signature.....

Name & Signature of Adult Co-parceners (Use Annexure for additional Members)

S. No.	Name	Signature.....
1.
2.
3.
4.

Name & Date of Birth of Minor-Co-parceners

S. No.	Name	Date of Birth	Guardian's Signature
1.	Signature.....
2.	Signature.....
3.	Signature.....
4.	Signature.....

घोषणा

मैं.....यह घोषणा करता/करती हूँ कि मैंने भारत भुषण इक्विटी ट्रेडर्स लिमिटेड में अपना शेयर ट्रेडिंग (सीएम/एफओ/सीडीएस) का खाता खोला है। उसके लिए एकाउन्ट ओपनिंग फॉर्म (के.वाई.सी.) और विभिन्न कागजातों पर हस्ताक्षर किया है जोकि अंग्रेजी भाषा में है। मुझे इसका हिन्दी में मतलब समझा दिया गया है। मैं भारत भुषण इक्विटी ट्रेडर्स लिमिटेड लिमिटेड के नियम व शर्तों से सहमत हूँ। मुझे के.वाई.सी. फॉर्म की कॉपी, अनुच्छेद 4, 5, 6 सहित मिल गई है।



हस्ताक्षर

To,

BHARAT BHUSHAN EQUITY TRADERS LIMITED

Trading & Clearing Member NSE & BSE

Trading Member MCX-SX

5 – E Rani Jhansi Road, Jhandewalan Extn., New Delhi - 110055

Ph. No.: 011 – 43566777/ 700 • Fax : 011 – 23540996

Email: nse@bharatbhushan.com • Website: www.bbinvestments.in

Sub : Letter of Authority - NSE / BSE / MCX-SX (All Segment)

I/We am/are dealing in securities with you at NSE/BSE Capital Market Segment and Derivatives Segment and in order to facilitate ease of operations. We authorize you as under :

1. Running Account Authorisation:

I/We am/are/ shall be maintaining a trading account with you for the purpose of doing trading transactions through you as my/our broker. I/We have been / shall be dealing on the Capital Market Segment, Futures & Options Segment and/or Currency Derivative Segments of NSE/BSE/MCX-SX As my/our broker i.e. agent I/we direct and authorize you to carry out trading / dealing on my/our behalf as per instructions given below.

I/We authorize you to setoff outstanding Funds and/or Securities in any of my/our accounts against credit balances of Funds and/or Securities available or arising in any other accounts maintained with you by me/us and /or against the value of cash margin or collaterals shares provided to you by me/us, irrespective of the fact whether such credit balances in my/our accounts pertain to different trading segments of the same Stock Exchange or of different Stock Exchanges.

Further, I am/we are aware that you and I/We have the option to deliver securities / make payments of funds to each other for settlement of dealing as per the schedule in force at the relevant time pursuant to directives / regulations / circulars, issued by exchange / regulatory authorities. However, I/We may find it difficult to carry out repeated pay-in of funds and securities. Further, I/We also desire to use my/our securities and monies as margin /collateral without which I/We cannot deal/trade.

Therefore, I/we hereby direct and authorize you to maintain running account(s) for me/us and from time to time debit these securities and funds from running accounts and make pay-in of securities and funds of exchanges/clearing corporations/other receiving party(ies) to settle my/our trades/dealings. Similarly, where I/we have to receive securities / funds in settlement of trades / dealings please keep the securities and monies with you and make credit entries for the same in running accounts of securities and funds maintained by you. Further, subject to your discretion and valuation please treat my/our securities and funds lying to my/our credit in running accounts as margin / collateral for my/our dealing / trading.

In the event I/We have outstanding obligations on the settlement date, you may retain the requisite securities / funds 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. While setting the account please send a 'statement of accounts' containing an extract from ledger of funds and extract from the register of securities displaying all receipts / deliveries of funds / securities. Please explain in the statement(s) being sent the retention of funds/securities and the details of the pledge, if any. I/We state that if I/We fail to bring any dispute arising from the statement so made to your notice within 7 working days from the date of receipt of funds/securities or statement, as the case may be, in writing by delivery of letter at your registered office then in that event the statement of account or settlement so made shall attain finality. Further, do not carry out settlement of running account running account referred to above for funds given by me/us towards collaterals / margin in the form of bank guarantee (BG)/Fixed Deposit receipts (FDR).

Please further note that while I/We am/are entitled to revoke this authorization at any time, however, such termination shall be subject to notice period of fifteen days from the date of physical delivery or revocation letter at your registered office to allow you to make necessary changes to handle my/our account without running account authorization. I/we shall be liable for all losses, damages and actions which may arise as a consequence of you adhering to and carrying out my/our directions given above. I/we state that you shall not be liable for any claim for loss or profit, or for any consequential, incidental, special or exemplary damages, caused by retention of securities / monies in accordance with this authorization.

My / our preference for actual settlement of funds and securities is at least.

Once in a Calendar Quarter Once in a Calendar Month



2. Adjustment of balances in Family Accounts: (At the time of closing or final settlement of account. Not for running account.)

S. No.	Client Code of Family Members/ Associates	Name of Family Members/ Associates	Category	Name of Father / Spouse

I/We authorize you to adjust the credit balance available in my account of any segment against any debit balance of any segment outstanding in the account of above mentioned family members or any other party or company with whom /in which I'm otherwise interested or director in the aforesaid company (Names given below).

.....

3. Telephonic Conversation:

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

4. Electronic Trading:

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

5. Fines & Penalties:

All fines/penalties and charges levied upon you by exchanges/regulator due to my acts / deeds or transactions may be recovered by you from my account.

6. Charges & Balance Maintenance:

I/We have a Trading As well as depository relationship with BHARAT BHUSHAN EQUITY TRADERS LIMITED Please debit the charges relevant with depository services and courier charges for sending physical documents from my/our trading account on monthly basis. I/We also agree to maintain the adequate balance in my/our trading account / pay adequate advance fee for the said reason.

7. Notwithstanding anything contained in these presents, any amounts which are overdue from the client or a member of the client's family towards trading either in the cash, F&O or derivatives segments or on account of any other reason to the Stock Broker or to any of the Stock Broker's group or associate companies will be charged delayed payment charges at the rate of 1.5% per month or such other rate as may be determined by the Stock Broker. The client hereby authorizes the stock Broker to directly debit the same to the account of the Client at the end of each month. The client also authorizes the Stock Broker to debit charges for depository services to the trading account.

- a. The Client agreed that any outstanding amount in his account or his spouse/relative or any company in which he is director or substantial share holder, shall be adjusted by the stock broker out of credit balance/shares or securities in any other aforesaid account.
- b. In case where client is a company, it authorized adjustments of any debit balance out of credit balance of any other company in which there is atleast one common director or having same share holder or group of share holders having substantial interest or from the credit directors. The company further assures that required permission and resolutions/authorization has been passed as per the low.
- c. Client also agrees that any balance/shares or securities outstanding in his account for purchase & sale of shares/securities etc. would be adjustable inter se company or its segments.

8. The Stock Broker shall send the trade confirmation to the client in form of contract Note, digitally signed contract note or otherwise

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via mail, email, fax, courier, Registered A.D./ oral communication, putting them on web server or otherwise at the postal address, telephone/fax nos. Email addresses intimated by the client to the Stock Broker. The client understand that it is his/ her/ its responsibility to review the trade confirmations, the contract note, the bills or statements of account immediately upon their receipt. All information contained therein shall be binding upon the client, if the client does not object in writing to any of the contents within twenty four hours of such intimation/ confirmation. In all cases, the Stock Broker reserves the right to determine the validity of the client's objection to the transaction. The client agrees that the Stock Broker will not be responsible for the non-receipt of the trade confirmation due to any change in the correspondence address of the client not intimated to the Stock Broker in writing.

9. The client further undertakes to collect or get collected from the Stock Broker and his/ its agents/ employees and authorized persons the order placement/ Modification slip, order cancellation details, trade confirmation slips and contract notes etc. And agrees to indemnity and hold the trading Stock Broker harmless for any delay in such collection and non-collection by his of his Order placement / modification slip, order cancellation details, trade confirmation slips and contract notes etc. From the office of the trading Stock Broker. The client understands that it is his responsibility to review the trade confirmation, receive/ view/save the contract notes/ digital contract notes. And that all information contained therein shall be binding upon the client.
10. The client further agrees and accepts that transmission of document/records/data and information including but not limited to contract notes (including digital contract notes, and other electronic documents) through ordinary post, UPC, courier/ speed post/ registered post / electronic mail i.e email/ electronic mail attachment/ download available from website or fax to his last known business and / or fax no. shall be deemed to have been properly delivered or served even if such communication is returned as unclaimed/ refused/ undelivered.
11. The client agrees that the Stock Broker will not be responsible for the non-receipt of the trade confirmation/contract notes or any other data/ information due to any change in the address/ E-mail address etc. not intimated to the trading Stock Broker in writing. The client also understands that he will have to down load the data/information within a week of the trading date and the Stock Broker shall be at liberty to delete old data that is to say data more than a week old from the web server without any notice.

* Strike off the clauses not relevant to you.

Thanking you,

Yours faithfully,

Client Signature

 _____


(DISCLOSURE TO CLIENT)

To,
..... (Fill Client Name & Address)
.....

Sir,
As per exchange notification, we hereby inform you that, we do trading on behalf of client and on our own account also.

Thanks and best regards
For BHARAT BHUSHAN EQUITY TRADERS LIMITED

(Authorized Signatory)
I acknowledge receipt of your information that you do client based trading and Pro account trading.

 _____
(Client Signature)

Regd. Office

Regd. Office : 5-E, Rani Jhansi Road, Jhandewalan Extn. New Delhi-110055
Ph.: +91-11-43566777, 23622821, 23540997-8-9, Fax : +91-11-23540996
Website : www.bbinvestments.in, E-mail : nse@bharatbhushan.com

Branches

CONNAUGHT PLACE

304/404, Rohit House 3 Tolstoy Marg,
New Delhi-110001
Ph.: +91-11-49800900

H- 45, Connaught Place, New Delhi- 110001
Ph.: +91-11-23322772, 41513024
E-mail: corporate@bharatbhushan.com

NOIDA

Krishna Apra Plaza, Plot No. P3, Sector 18,
Commercial Market, Noida, Uttar Pradesh.
Ph.: +91-120-4358612-13
Email: noida@bharatbhushan.com

VASANT KUNJ

19, Vasant Arcade, Vasant Kunj,
New Delhi 110070
Ph.: +91-11-26894527, 26894602
E-mail: vk@bharatbhushan.com

GURGAON

265, Central Arcade, Phase-II,
DLF City, Gurgaon, Haryana
Ph.: +91-124-4101706-07
Email: gurgaon@bharatbhushan.com

JAIPUR

412, City Mall, C-21B, Bhagwan Das Road,
Panchbati, Jaipur-302001
Ph.: +91-141-4049938-39
Email: jaipur@bharatbhushan.com

CLIENT REGISTRATION BOOKLET (Page No.1 to 8)

KYC - MANDATORY DOCUMENTS

1. Rights and Obligations of Stock Brokers, Sub-Brokers and Clients
2. Risk Disclosure Document for Capital market and Derivatives Segments
3. Guidance Notes - Do's and Don'ts for Trading on the Exchange(s) for Investors

Note: **As per SEBI Circular Number CIR/MIRSD/16/2011 Dated 22 August 2011, these documents are to be handed over to the investor at the time of Opening of Account.**

As prescribed by SEBI and Stock Exchanges

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, Bye-laws, 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 thereunder 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 thereunder.

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.

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 thereunder 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 e-mail 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 e-mail as an attachment, the attached file shall also be secured with the digital signature, encrypted and non-tamperable.
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 thereunder 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 thereunder 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.

(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 whatsoever 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.

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.

1.4.1A "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 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.

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 www.exchange.com and SEBI website 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.

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 the 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.

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 gives 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.

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 have been mandated by SEBI to designate an e-mail ID of the grievance redressal division/compliance officer exclusively for the purpose of registering complaints.