



POLICIES AND PROCEDURES

A) REFUSAL / RESTRICTIONS ON ORDERS IN ILLIQUID CONTRACTS / PENNY STOCKS

1. (i) The term 'Illiquid Contract' as used here would mean and imply a contract which cannot be easily sold or converted to cash quickly at the prevailing market price. The 'Illiquid Contract' for this purpose would include those having very wide bid-ask spread. For example illiquid options have very low or no open interest. A client while selling an 'Illiquid Contract' might have to sell it at a discount instead of at / near the market price. Because of this, holders of these 'Illiquid Contract' may not be able to dispose of them at a fair price in the market and may be forced to hold on to such 'Illiquid Contract' until they expire.
- (ii) Penny stocks' as used here essentially means such securities which have low liquidity. These are usually associated with small companies and trade infrequently meaning they have a lack of liquidity or ready buyers in the marketplace. As a result, clients may find it difficult to sell such a security since there may not be any buyers at that time. Because of the low liquidity, clients might have difficulty finding a price that accurately reflects the market. 'Penny Stocks' are generally considered highly risky due to their lack of liquidity, wide bid-ask spreads or price quotes etc. In other words, investors could lose a sizable amount or all of their investment. Some categories of securities which may qualify for inclusion in umbrella term 'Penny Stock' as used here may include securities in Z category, Trade to Trade Settlement or TS category, the securities which are included in the list of illiquid scrips by the exchange/s or any other scrip which broker deems fit for the purpose of putting trading restriction.
- (iii) Illiquid contracts / Penny Stocks may be exposed to price rigging, artificial liquidity or manipulated prices or cross/synchronized trading and other market manipulative activities. Broker is required by exchanges to have proper surveillance and monitoring mechanism on the trading activities of its clients, particularly in 'Penny stocks and Illiquid Contracts. Further the broker also attempts to prevent / reduce the chances of its clients from getting exposed to market manipulations/ losses. Therefore, the broker either disallows any orders / trading in Illiquid Contracts / Penny Stocks or imposes restriction on trading in the same. These restrictions may include but are not limited to the price, quantity or mode of placement of orders. Thus the broker may disallow/restrict certain contracts/ scrips from trading on its online trading facility or through Authorized Person or through branch trading terminals. In such case, client may be allowed to place the orders subject to certain restrictions, through broker's corporate/ head office/ designated trading desk only. Under these restrictions the broker may reject the orders and/or put price bands to discourage trades getting executed at unrealistic prices and broker shall not be liable for any loss arising out of non acceptance or rejection of the clients' orders in Illiquid Contracts/ Penny Stocks.
- (iv) Where a client finds a certain contract / security missing from the list of contracts/ securities available for/from online trading application, the client should check with broker's relationship manager/ dealer/ customer care executive about any trading restriction on such contract/security.

B) SETTING UP CLIENT'S EXPOSURE LIMITS AND CONDITIONS UNDER WHICH A CLIENT MAY NOT TAKE FURTHER POSITION AND CONSEQUENCES OF LIMIT VIOLATIONS BY CLIENT.

1. The broker sets client's exposure limits inter-alia based on availability of margin as required by the exchanges subject to any higher requirements which broker may impose at its discretion based on broker's risk perception which may vary from client to client. The client is not entitled to trade without adequate margin and that it shall be client's responsibility to ascertain beforehand the margin requirements for client's orders / trades /deals and to ensure that the required margin is made available to the broker in such form and manner as may be required by the broker. If the client's order is executed despite a shortfall in the available margin due to any reason(s) whatsoever including but not limited to system or other technical/human error, margin requirement being enhanced by clearing corporation/ stock exchange etc. the client shall make up the shortfall suo moto immediately, whether or not the broker intimates such short fall in the margin to the client. The client shall also pay the shortfall in margin created due to square off by client of only one leg of hedged position(s) leaving the other leg standing, which would lead to either requirement of margin or of higher margin, and the client shall bring in the margin required suo moto immediately whether or not the broker intimates such margin requirement to the client (for clarity it may be noted that margin includes peak margin wherever applicable as per context in this entire document). Client may not be permitted to take further positions if there exists margin shortfall in the client account and/or the Positions of client which are without adequate margin may be closed out by the broker without notice and loss if any shall be borne by the client.
2. The client is informed that as per regulatory requirements, the proprietary margin of the broker is counted towards/ blocked against client exposure which is above 90% of the total margin of the client. Such counting/ blocking of proprietary margin of broker towards client trades implies a cost of capital and a loss of opportunity to do proprietary

trading by the broker. Therefore, the client is strongly advised that he should place orders in such a manner that the margin usage for his trades remains at or below 90 % of his total available margin at all times, meaning thereby that he should place orders in such a manner that the margin requirement (including peak margin requirement) even after any recalculation post execution of the order (i.e. post trade) should be equal to or less than 90% of client's margin. In the event(s) of the client not limiting his exposure to 90% of his total margin, the broker shall be entitled to charge interest and cost of opportunity lost at the rate of 1.25% per day (or any other rate under intimation to client) for client exposure beyond the margin provided by the client.

3. The broker is entitled to vary the form i.e., the replacement of the margin / collateral in one form with the margin / collateral in some other form (for example requiring margin in the form of cash instead of securities) &/or vary the quantum &/or percentage of the margin/collateral required to be deposited / made available, from time to time. The margin /collateral deposited/made available by the client to the broker are not eligible for any interest unless specifically agreed to.
4. In addition to exposure limits based on margin, the broker may from time to time impose and vary other form of limits on the orders that the client can place through the broker's trading system. Such limits may include but not be limited to those on turnover, the number, value and/or kind of securities in respect of which orders can be placed etc. The client is made aware that the broker may need to vary or reduce the limits or impose new limits urgently within market hours without prior notice, due to dynamic nature of securities markets, due to which the broker's risk perception may change. Limits may also change due to other factors considered relevant by the broker including but not limited to limits imposed by exchanges / regulatory direction on to broker itself (such as broker level/ market level limits in security and/ or quantity specific / volume specific exposures limits etc.). The broker shall not be responsible for any losses caused due to any variation, reduction or imposition of limits on exposure available to client which may effect the client's ability to route any order through the broker's trading system. Further the broker may at any time, at its sole discretion and without prior notice subject any order placed by the client to a review before its entry into the trading systems and may refuse to execute / allow execution of orders due to but not limited to the reason of lack of margin / collateral or the order being outside the limits set by broker / exchange/ regulator or due to any other reasons which the broker may deem appropriate in the circumstances. The losses, if any on account of such refusal or due to delay caused by such review, shall be borne exclusively by the client alone.
5. For the purposes of margin/ exposure limits, the broker is entitled to include /appropriate any /all pay out of funds towards margin/exposure limits without requiring specific authorizations for each pay out. The broker is entitled to transfer funds from client's account for one exchange & / or one segment of an exchange to client's account for another exchange & / or another segment of the same /different exchange whenever applicable and found necessary by the broker. The client is made aware that the broker may treat / adjust client's margin / funds lying in one exchange & / or one segment of the exchange / towards the margin / pay in requirements of another exchange & / or another segment of the exchange.
6. Client should note that the risk management system policy (RMS policy) of the broker requires each client to ensure satisfaction of all regulatory requirements as to provision of margin/ collateral / pay-in obligations by the clients. Clients should note that subject to foregoing, the risk perception of the broker may vary across clients and / or category of clients (such as on-line clients and off-line clients). The difference in risk perception arises due to various reasons including but not limited to factors such as history of association with the broker as a client, previous payment record, adherence to commitments towards payments made earlier, the networth and income levels of the client and source of income etc. Without limiting the general application of the foregoing principles some examples where there may exist variations between clients / set of clients are given below. These are examples only and some variations may emerge at a later date given the time/ place/ client specific scenarios all of which can not be foreseen and enumerated.
 - (1) Not allowing a client or set of clients to trade in some or all of the illiquid contracts / penny stocks, T2T, Z category and similar contracts/ stocks on temporary or permanent basis and/ or limiting the exposure (by value or quantity) of the client or set of clients to certain securities/ contracts which broker may determine in its absolute discretion to be carrying higher risk, including risk of manipulation of prices etc.
 - (2) Provision of exposure / margin only after cheque/demand draft etc. has actually been cleared and funds received by the broker in its account. And the exposure / margin may be granted only on the next trading day from the day when clear balances are made available in the broker's account by the client depending upon time when availability of clear funds in broker's account gets confirmed by the bank and need of time to make entries in RMS system/software.
 - (3) The compulsory square-off times for intra-day and/or expiry day may be enforced differently between clients based on broker's own risk perception in regards to the ability of client to ensure square-off and/ or bear the losses. However, no client position shall be squared off before the threshold time lines stipulated in the RMS policy and/ or



'Policies and Procedures' document of the broker, provided however that such open positions of the client should not breach some other relevant threshold/ limit prior to the compulsory square-off times for intra-day and/or expiry day. For clarity, one example is being cited. Let the compulsory square-off times for intra-day and/or expiry day be 2 pm, and the minimum margin required from client be 50% (the actual times/ margin % are likely to be different from these) on this day. In such a scenario if the available margin of the client reaches 40% at 11 am, then even though the time line for auto square off (square off by broker) is 2 pm, the broker may square off the position at 11 am when the client position ceases to have minimum margin of 50% (margin would include mark to market or peak margin etc. as may be relevant).

7. It is clearly informed to client that he must fulfill all RMS policy requirements as applicable to him specifically / on individual basis at all times without seeking/ claiming parity with any other client(s) or set/category of clients, say for example parity with off-line/ on-line clients etc. Client is not entitled to claim continuation of any facility/ threshold/ limit variation as a matter of right, even if client has been granted facility/ threshold/ limit variation on earlier occasions, the same may be changed/ varied / withdrawn by the broker at its discretion without notice. Client shall not be entitled to claim for any actual or theoretical losses including loss of opportunity/ potential profit on account of any facility/ threshold/ limit variation not made available to client and/or withdrawn from client.
8. All the policies of the broker, including the RMS policy may change over time due to dynamic nature of securities market, issuance of circulars/ directions by exchanges/ SEBI and other statutory/government authorities. Therefore the client should use the latest versions of the policies of the broker, including the RMS policy which are made available at the official website of the broker and not depend on the set of policies of the broker.

C. 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

1. The broker has the right but not the obligation, to cancel any/all pending orders and to sell/close/liquidate any/all open positions at the pre-defined square off time or when Mark to Market (M-T-M) reaches or crosses stipulated margin threshold/limit, whichever is earlier. The broker will have sole discretion to decide the required/ stipulated margin percentage depending upon the market condition. In the event of such square off, the client shall bear all the losses. In case open position gets converted into delivery due to non square off because of any reason whatsoever, the client shall provide securities/funds to fulfil the pay-in obligation failing which the client will have to face auctions or internal close outs. Without prejudice to the foregoing, the client shall also be solely liable for all and any penalties and charges levied by the exchange (s)/ Clearing Corporations.

The client is required to maintain a regular watch on his account and ensure payment of 'Client's Dues' well before the due dates and time (term 'Client Dues', has been defined / explained at sub-clause 2 of clause C herein below). For ensuring timely payment of Client Dues, the client should inter-alia peruse various documents/ reports provided by the broker including but are not limited to contract notes, margin reports, account statements etc. as also reports and data/ information made available to the client through the log – in to the web portal of the broker. Client should not let his account be in debit and ensure complete payment of all margins and settlement obligations well before required date and time failing which the broker may sell client's securities or close client's positions, without giving notice. Client is informed that due to volatility / sharp change in prices in the market, client's positions may suddenly require client to provide more margin even during the market hours on immediate basis. If the client account is in debit and/ or margin is inadequate and/or additional margin requirement is not fulfilled by the client, the broker may sell client's securities or close client's positions, without giving notice. Client should note that any loss or profit on account of sale of client's securities or close out of client's positions by the broker shall borne by the client.

2. 'Client's Dues' shall include all payments of funds or delivery of securities required to be made by the client to the broker. 'Client's Dues' shall include but not be limited to margin, securities and funds pay-in obligations, brokerage, product/ scheme specific fees and all other charges as may be applicable to the client's account such as fee/charges for research reports, offline orders, software, depository services, dishonour of cheques, demand draft issuance, incidental expenses such as NEFT/RTGS, postage, courier SMS etc.. 'Client's Dues' shall also include taxes, duties, statutory levies including STT/ GST/ exchange / Securities and Exchange Board of India (SEBI) turnover fee etc. imposed by any authority including but not limited to the exchanges (including any amount due on account of reassessment / backlogs etc.). Payment for 'Client's Dues' should be made by the client in the designated centralized banking and securities handling depository accounts of the broker.
3. The broker is entitled to prescribe/ vary the date and time by which the pay-in of margin / funds /securities is to be made available and the broker may refuse to accept or account for/ give credit for any payments after such deadline expires.
4. The broker shall be at liberty to give the benefit of funds / securities provided by client as margin/ pay-in only after such

funds / securities are actually credited by bank/ depository in the bank/ depository account of the broker.

5. Where the margin is made available by way of securities or any other property, the broker is empowered to decline its acceptance as margin & / or to accept it at such reduced value as the broker may deem fit by applying haircuts or by valuing it by marking it to market or by any other method as the broker may deem fit in its absolute discretion.
6. If the client gives orders / trades in anticipation of the required securities being available subsequently for pay in through anticipated payout from the exchange/clearing corporation or through borrowings or any off market delivery(s) or market delivery(s) and if such anticipated availability does not materialize in actual availability of securities / funds for pay in for any reason whatsoever including but not limited to any delays / shortages at the exchange or broker level / non release of margin by the broker etc., the client may suffer auctions / square off / closing outs etc. without notice, and the losses if any due to the same shall be solely to the account of the client and the client shall have no recourse against the broker for the same.
7. Broker may create margin pledge and/or liquidate all or any of the securities lying in the demat account of the client in case of any margin requirement and/ or to settle the client's dues arising from time to time. Broker shall accept securities as collateral / margin, in accordance with the company's risk management system (RMS) policy and prevalent exchange/SEBI regulations. In case the client has securities lying in the demat account, same shall not be treated as margin unless client marks margin pledge in favour of broker against the same. Client is required to keep themselves updated with the RMS policy which may be published and updated by broker on its website from time to time

D. POLICY ON CLIENT UNPAID SECURITIES (T5 DEBIT)

1. In case of clear balance in client's account the securities purchased by client will be transferred to client's demat account on the settlement day. If client does not have a clear balance in client's account, then broker may sell client securities within 5 trading days from the date of payout or as per risk management procedures/ system of broker, whichever is applicable / triggered earlier. To avoid selling of securities, client must maintain sufficient credit balance in the client's trading account to ensure full payment of securities purchased.
2. In case the client has not paid the total amount due towards the securities purchased (including existing debit balance in running account), the broker will transfer such securities to Client's Demat account and the same will be marked as pledge in favour of Member in his "TM/CM Client Unpaid Securities Pledgee Account (CUSPA)". Once the dues in the client's account are cleared, the securities will be marked as free balance in the client's demat account. In case of non-payment of dues, securities may be disposed-off within 5 trading days from the date of pay-out and any excess securities, would be transferred to the client's demat account.
3. If client's securities are sold/squared off due to ageing debit (square off within 5 trading days from the date of pay-out), then client will not be able to buy the same scrip on the same day unless the debit is cleared by maintaining a clear balance.

E. SHORTAGES IN OBLIGATIONS ARISING OUT OF INTERNAL NETTING OF TRADES

1. The broker shall not be obliged to deliver any securities/commodities or pay any money to the client unless and until the same has been received by the broker from the exchange/ the clearing corporation/ clearing house or other company or entity liable to make the payment and the client's obligations have been first fulfilled. Further, the policy and procedure for settlement of shortages in obligations arising out of internal netting of trades as currently in force are given below. It should be noted that the settlement rates/penalties/ auction rates etc. are always subject to directions/circulars issued by stock exchanges/ SEBI and may therefore be higher/ different from those given below.
 - (1) The short delivering seller client is debited by a provisional amount (short quantity * valuation price). Valuation price for this purpose is determined as closing rate of day prior to Pay-in/ Pay-out Day. The securities delivered short are purchased from market on Auction Day (The Auction Day here means and implies the Auction Day for the relevant settlement on the exchange) and the Auction Amount to be debited to the short delivering seller client is higher of the purchase consideration (inclusive of all statutory taxes & levies) or the Closing price on the auction day along with reversal entry of provisionally amount debited earlier. Also, on specific written request by the short seller to email ID ig@nx-block.com the broker may allow the Short Seller to purchase the undelivered security(ies) if there is any client to client obligation. Such written request should be made by the client prior to pay-in day. In absence of any such written request to designated email ID, normal procedure shall be applied.
 - (2) If securities cannot be purchased from market due to any force majeure condition, the short delivering seller is debited at the close out rate which is the higher of the highest price of the security(ies) from the date of sale to the Auction Day on exchange or 20% above the closing price on the Auction Day on the Exchange.
 - (3) In cases of securities having corporate actions all cases of short delivery of cum corporate benefit transactions which cannot be auctioned on cum basis or where the cum basis auction Pay-out is after the book closure /record date,



would be compulsorily closed out at the rate which is the higher of the highest price of the security from the date of sale to the Auction Day on exchange or 20% above the closing price on the Auction Day on the Exchange.

- (4) Penalty on seller in case of delivery default (default in delivery against open position at expiry in case of compulsory delivery contracts of commodities or , default in delivery after giving intention for delivery of commodities) shall be as follows:
- (a) Futures contracts on agri-commodities: 4% of Settlement Price + replacement cost (difference between settlement price and average of three highest of the last spot prices of 5 succeeding days after the commodity payout date, if the average price so determined is higher than Settlement Price, else this Component will be zero.)
 - (b) Futures contracts on non-agri commodities: 3% of Settlement Price + replacement cost (difference between settlement price and higher of the last spot prices on the commodity pay-out date and the following day, if the spot price so arrived is higher than Settlement Price, else this component will be zero.)
 - (c) In case the seller defaults in delivery, the buyer who was entitled to receive delivery will be credited with a predefined percentage of the settlement price+replacement cost.

F. APPLICABLE BROKERAGE RATE

1. Brokerage will be charged to the client based on the brokerage rates specified at the time of account opening inter-alia detailed in Tariff Sheet or as per the product/scheme opted by the client from time to time. The client shall pay to the broker in addition to brokerage and product/ scheme specific charges and such other fees and charges as may be applicable to the client's account including but not limited to charges for research reports, offline orders, software, depository services, dishonour of cheques, demand draft issuance, incidental expenses such as NEFT/RTGS postage, courier SMS etc.. Client shall also pay taxes, duties, statutory levies including STT/ GST/ exchange / Securities and Exchange Board of India (SEBI) turnover fee etc. imposed by any authority including but not limited to the exchanges (including any amount due on account of reassessment / backlogs etc.). The client shall pay these through the running account or other suitable methods(s) as may be required by the broker. Rates for brokerage/ fees/ charges including but not limited to those mentioned above and any of those mentioned in tariff Sheet/ schedule of charges may be revised at the sole discretion of broker from time to time and such changes shall be communicated to the client on best effort basis through any one of the communication methods(s) detailed under clause/sub-clause titled "MODES OF COMMUNICATION BY BROKER" of this document. Continued usage by client of broking and other services with changed rates shall mean and imply acceptance of the same by the client. The broker may also deduct and appropriate any of the aforesaid charges/ brokerage/fee from the running account of the client and/or any amount payable to the client.

G. IMPOSITION OF PENALTY/DELAYED PAYMENT CHARGES

1. Client should ensure full payment, before due date and time, of all 'Client Dues' defined at sub-clause 2 of clause C above. Client should not keep its account in debit. If there is debit balance in client account at any time, broker may levy interest on such debit balance at a rate upto 24% per annum calculated on daily basis during the continuation of any debit balance. Interest may be calculated considering balance lying across all exchange and segment on any given day. As the cost of funds to the broker varies depending on economic conditions the rate may change from time to time and will be communicated on best effort basis through any one or more modes of communications enumerated under clause/sub-clause titled "MODES OF COMMUNICATION BY BROKER" of this document. Continued usage of services of the broker by the client shall mean and be deemed to be acceptance of revised rate(s) of interest.
2. The broker reserves the right to debit client's ledger for any penal charges that may be charged by the exchanges/ clearing corporations/depositories/ SEBI or any other government / statutory authority for any default/ violation of exchange/clearing corporation/depositories/SEBI rules/regulations/ bye laws/ circular/ guidelines / requirements due to any act(s) of omission or commission directly/indirectly on the part of the client. This may include penalty for short delivery of securities, shortfall in margin payments (imposed by exchange / clearing corporation due to any acts of omission/ commission by the client including but not limited to false reporting to the broker for margin or other purposes that a cheque/ demand draft etc. has been deposited by it in broker's bank account without depositing the same or falsely stating amount/ date / time of deposit of such cheque/ demand draft etc. Similarly delivery of cheque to broker and/ or deposit of cheque which is used to give interim benefit for margin/ pay-in and which is subsequently dishonoured by the bank of client upon presentation for payment. In such and similar situations the exchange / clearing corporations would find the actual margin / pay-in short and impose penalties, or the broker may impose penalties for such actions of client, which the client would have to bear. For clarity it may be noted that margin includes peak margin wherever applicable as per context in this entire document), Penalties will also include but be not limited to penalty(ies) for violation of client level position limits, client code modification etc.

3. Penalties may also be imposed on account of margin shortage where the client squares off only one leg of a position leaving the other leg standing, which would lead to either requirement of margin or of higher margin and such required margin is not deposited by the client before the date and time it is required. Penalties may also be imposed where the client positions require higher margin due to enhancement by exchange(s)/ clearing corporation(s) and/or the broker and such enhanced margin is not deposited by the client before the date and time it is required. The broker may also impose penalties for any orders / trades / deals / actions of the client which are contrary to these Policies and Procedures / rules / regulations / bye laws of the exchanges / SEBI or any other law for the time being in force, at such rates and in such form as it may deem fit and the penalty may include keeping in abeyance the payout of funds and/or securities till such time that the client has been able to clearly demonstrate that his actions were not malafide in any manner. Further, the broker shall have the right to recover such charges / penalties like any other dues payable by the client and may also recover the same by selling the client's securities.
4. The broker shall make efforts upon client request or suo moto to make Early Pay-In (EPI) of securities in order to meet the margin requirements and settlement obligations etc for and on behalf of client out of securities lying in client's demat account with POA in favour of the broker or from the pool account as may be applicable. However, the client shall be solely liable for all the losses / penalties / charges etc. levied by the exchange(s)/clearing corporation(s) on account of non-execution/delay in execution of the EPI transactions including any losses due to any increase in margin requirements due to non-execution/delay in execution of EPI transactions.
5. In pursuance of SEBI directions, clients are required to ensure to maintain at least 50% of the total collateral in the form of cash or cash equivalents. In the event the cash-equivalent collateral of proprietary account of broker is considered for a client for the purpose of ensuring minimum 50% cash-equivalent collateral, broker shall be entitled to charge interest on the shortfall amount upto the rate of 24 % per annum calculated on daily basis.
6. It is further clarified that situation(s) may arise where the overall or broker/ clearing member level limit prescribed by the clearing corporation/ stock exchange for acceptance of particular security (ies) as collateral is reached. In such a situation the benefit made available to the client for such securities placed by client as collateral shall be reduced in line with the reduced benefit granted to the broker/ clearing member by the Stock Exchange / Clearing Corporation.

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

1. The client may request the broker to temporarily suspend /or close client's account and the broker may do so subject to client accepting / adhering to pre-conditions for suspension/ closure including but not limited to settlement of account and/ or other obligation by the client.

I. DEREGISTERING A CLIENT

1. Notwithstanding anything to the contrary stated in the client broker documents, the broker shall be entitled to deregister/suspend the account of client with immediate effect in any or more of the following circumstances:
 - (1) If the actions of the client are prima facie illegal / improper or such as to manipulate the price of any securities or disturb the normal /proper functioning of the market, either alone or in conjunction with others;
 - (2) If, in the opinion of the broker, the client has committed a crime / fraud or has acted in contradiction to terms of this or any other broker-client document or / is likely to evade / violate any laws, rules, regulations, directions of a lawful authority whether Indian or foreign or if the broker so apprehends;
 - (3) If there is any commencement of a legal process against the client under any law in force wherein the client is accused of criminal acts and/or acts of moral turpitude;
 - (4) On the death/lunacy or other disability of the client;
 - (5) If a receiver, administrator or liquidator has been appointed or allowed to be appointed for all or any part of the undertaking of the client;
 - (6) 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 is referred to National Company Law Tribunal (NCLT) / National Company Law Appellate Tribunal (NCLAT) as per provisions of Insolvency and Bankruptcy Code.
 - (7) If the client being a partnership firm, has any steps taken by the client and/ or its partners for dissolution of the partnership;
 - (8) If the client have taken or suffered to be taken any action for its reorganization, liquidation or dissolution;
 - (9) If the client has made any material misrepresentation of facts.
 - (10) 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;



- (11) If the client suffers any adverse material change in his / her / its financial position or defaults in any other agreement with the broker;
- (12) If the client is in breach of any term, condition or covenant with the broker.
- (13) If any covenant or warranty of the client is incorrect or untrue in any material respect;

J. OTHER SIGNIFICANT POLICIES AND PROCEDURES

1. Proprietary Trading

The broker does undertake proprietary trading

2. Trading Related

- (1) The relationship being established between the client and the broker is that of principal and agent and the broker shall be the agent of the client. The client is required to make independent enquiries and satisfy himself that he is entitled to enter into the broker client relationship with the broker in the jurisdiction in which the client resides.
- (2) No employee, Authorised Person, director or any other agent of the broker is authorised to give any assurances of profits, or to manage the account of the client in any discretionary manner. The client must make his own decisions regarding suitability of orders/investments and if need be rely upon his own independent advisers whether in matters of orders/trades or in the matters relating to taxation etc. Accordingly the client should not enter into any personal/private mutual understanding with any employee, Authorised Person, director or any other agent of the broker.
- (3) The client may place orders verbally (by visiting the branch or through telephone), through e-mail, and /or through internet based trading terminal/ mobile trading facility etc. which may be provided as per the requirement of the client subject to payment of charges. In order to avoid any misinterpretation which could emanate from verbal orders, the client should consider entering his orders directly into the trading system by use of web based or mobile based application which are provided by the broker subject to charges. Where the client has authorised any other person to give orders on client's behalf, the orders given by such authorised representative shall be binding on the client. Also the client may place orders in writing as per the format available at broker's website, so as to avoid any future disputes.
- (4) Client is made aware that the broker would assume an order coming from registered mobile and/or landline and/or / email address to be genuine and authentic order or direction of the client or that of the client's authorised representative. Broker can not identify the voice on the other end of the mobile or landline phone as belonging to the client or otherwise. Therefore The client shall ensure that he is the only user of the telephone number (mobile and/or landline)/ email address and keep safe and not disclose to any one the tele identification number and/or password if applicable. No claim therefore shall lie against the broker on the ground that the person giving the orders from registered mobile and/or landline numbers/ registered email address was either not the client or did not have authority to give orders on behalf of the client (in the case of corporate clients etc.).
- (5) The broker may record conversations of the client over telephone/in person however the broker shall not be obliged to do so and mere absence / non-availability of recordings shall not render any order/transaction unenforceable against the client, inasmuch as the orders can be placed over mobile phones, through visiting the branch and the recorded orders are also liable to damage/erasure on account of virus/and other technical reasons. Recordings may also not be available due to capacity overrun of the machine. Further, in times of emergencies the orders may be taken over phone lines/ instrument which do not have recording facility.
- (6) The broker allows internet based trading (IBT) / security trading through wireless technology (STWT) through various exchange approved applications/software/mobile applications/web-browser or Algo Based Trading Software/applications/systems. Client is made aware that responsibility of broker is limited to ensuring robustness of the trading systems in normal circumstances, and there is no guarantee/warranty that any such trading software/applications/systems are capable of functioning in abnormal circumstances including unprecedented trading volume / communication failures etc. or are bug/glitch free and the client may on rare occasion suffer losses which client alone shall bear and this risk should be kept in mind by the client while dealing through the broker.
- (7) Before using the website and/ or online trading facility (including mobile based facility) the client must ensure that he has all the necessary and compatible infrastructure ready at his end for the purpose of accessing the website of the broker or availing Wireless technology/Internet/ smart order services provided by the broker. The broker will not be under any obligation to assist the client in installing the required infrastructure or obtaining the necessary equipment, permits and clearances to establish connectivity or linkages to the website of the broker and trade on/ through it.
- (8) The client is made aware that the broker has the right to suspend operation of the website and online systems at any time (including when in the opinion of the broker, some threat is posed to any system or part of any system). The

broker may also suspend the operation of website and online systems at regular intervals for periodic maintenance and administration tasks. If online system is unavailable the client can avail Call-And-Trade facility during normal trading hours.

- (9) The client is made aware that the broker has the absolute discretion to amend or supplement any of wireless technology/ Internet/smart order usage terms at any time after reasonable prior notice for such changes by displaying them to the client on the broker's website and by any other modes of communication detailed/ enumerated under clause/sub-clause titled "MODES OF COMMUNICATION BY BROKER" of this document. By using the services under revised terms, the client shall be deemed to have accepted the changed terms of usage.
- (10) The client stands informed that the broker owns / has a licence in and/or possesses copyrights, database rights and all similar rights in all material / data on /in broker's website and also upon all trademarks and other materials used on the broker's website. No information / data on broker's website may be reproduced, distributed, transmitted to any person or incorporated into any other document without broker's prior written authorisation. The client shall use real-time quotes received on the website of the broker only for the client's personal use/trading and shall not furnish such data to any other person or entity nor use it for any illegal trading set up (such as 'dabba trading'). Client is not authorised to give to any third party access to any materials/ data on broker's website or mobile trading applications etc. or to make copies of any such materials for any purpose what so ever. The client shall also not delete copyright or other intellectual property rights notices from printouts of electronically accessed materials from the broker's website.
- (11) The broker provides electronic password generation facility to its clients, initial password and later as well, and the client should using this facility generate / change password for his account regularly for safety. The client is made aware that the broker shall not be responsible for any delay in receipt of password from the system by the client. The client shall be solely responsible for maintaining secrecy of the password, so generated / changed, and the broker in no way shall be responsible for the misuse of the said password by any person including but not limited to any person authorised by the client or entrusted by the client with client's password.
- (12) The client shall upgrade to the newer versions of trading software/back-office software etc. on account of changes made by the broker and/or any other service provider like depositories/banks /exchanges/ clearing corporations etc.
- (13) Where prima-facie it appears that trading system/ IBT interface / mobile trading application etc. is/are suffering from some problems such as incorrect positions being shown etc. the client should refrain from trading and immediately bring the problem to the notice of the broker and trade/act only after the problem has been resolved. If broker or any other clients suffer on account of actions of the client in such situations the client will be liable to make good the losses suffered by broker or other clients.
- (14) Orders given/ placed by client may or may not result in trades and the client should continuously monitor the final outcome of the order. Where orders have resulted in trades the same may or may not result in delivery and the client should continuously monitor his pay in / Pay-out obligations. The client should note that orders given/ placed by client shall be subject to risk containment measures deployed by the broker or exchanges and may be refused or delayed in transmission to the exchange trading platform. The client shall not be entitled to claim any loss direct or indirect including but not limited to loss of profits/ opportunity etc. on account of any such refusal for entry/ delay in transmission of orders as a consequence of risk containment measures deployed by the broker or exchanges.
- (15) Cancellation or modification of an order pursuant to the client's request is not guaranteed. The order will be cancelled or modified only if client's request for cancellation/ modification is received well before the original order has been executed. Market orders are likely to get immediately executed and may not get cancelled.
- (16) The client shall not be entitled to presume an order having been executed, cancelled or modified until a confirmation from the broker is received by the client. Due to technical and other factors the confirmation may not be immediately transmitted to or received by the client and such a delay shall not entitle the client to presume that the order has or has not been executed, cancelled or modified unless and until the broker has so confirmed through any of the methods enumerated/described under clause/sub-clause titled "MODES OF COMMUNICATION BY BROKER" of this document
- (17) In case of failure of internet based trading whether web or mobile based broker also offers Call and Trade services to the client. The client is requested to contact corporate office by disclosing proper identity.
- (18) Client is made aware that securities in Trade to Trade (T2T) segment can be sold only after the securities are available in client demat account. Intraday and Buy today sell tomorrow (BTST) etc. are not allowed in securities in T2T segment.
- (19) Client is made aware that there are significant risks associated with / arising out of trading in illiquid options and/or far months contracts and shall bear all consequences thereof if he chooses to trade in such contracts.

- (20) Client is also made aware that client will not be eligible to participate in buyback/takeovers etc. if client has sold the shares on or before the record date. Also the acceptance ratio in buyback/takeovers etc. is at the sole discretion of issuer.
- (21) Client stands informed that on expiry day the client has to square off all open position(s) (except for those opted for physical settlement by client, if applicable) at least 4 (four) hours prior to the closing time for trading of the contract(s) on the relevant exchange (or such other time as prescribed by broker). If the client has not undertaken square off as stated above, the broker shall be entitled but not obliged to square off all such open positions on or after time as prescribed by the broker on expiry day irrespective of margin availability, and the losses if any due to square off or non square off shall be borne by the client alone.
- (22) Client is made aware that though the broker offers bidding facility for IPO/FPO etc. through its platform, the role of broker is only to facilitate and process the IPO/FPO and similar applications. The broker shall not be responsible / liable for any losses/damages/costs/opportunity losses of any nature whatsoever incurred by client due to processing or non-processing of the applications and allotment/non-allotment of shares due to any reason including but not limited to suspension/interruption/malfunction/technical glitch etc in broker/ exchange software / trading / bidding platform. Further broker shall not be liable to process/ assist the client for refund, unblocking etc. of IPO/FPO funds/ allotted shares.
- (23) The client stands informed that the broker may provide fundamental or technical research/ trading calls etc., on companies, industry, securities markets, and economy from time to time (collectively hereinafter referred to as 'research'). Client is informed that the 'research' provided is not an offer or a solicitation to buy any security and by sending the research, the broker or any of its officers, directors, personnel and employees shall not be liable for any loss, damage of any nature, including but not limited to direct, indirect, punitive, special, exemplary, consequential, as also any loss of profit in any way arising from the use of such research in any manner. The client is made aware that the investments discussed in the said material are general recommendations and may not be suitable for all investors. The client shall, therefore, before dealing and/or transacting in any of the products referred to in the research, make his/her/its own investigation and seek appropriate professional advice. The client shall be fully responsible/ liable for all decisions on investments /disinvestments taken by client on the basis of the research provided by the broker. Further, client should note that the broker may discontinue providing such research without notice and the broker shall have no responsibility to update any information provided to the client from time to time nor does the broker represent that the information provided in the research is/shall be complete. Further by providing such research, the broker is neither acting as a financial advisor / portfolio manager nor does the broker assumes any fiduciary duties. The research shall be provided to client on as is where is basis only for personal use and all rights in the same shall exclusively rest with the broker, and client is not entitled to share it with any third party whether for consideration or otherwise without a formal written authorisation by the broker. In the event of a breach of any of these conditions by the client, the broker shall be entitled to bring legal action against the client and claim damages or any other legal relief.
- (24) The broker issues contract notes with the order number and trade number and therefore shall not be providing order confirmation and trade confirmation slips to the client.
- (25) The records /information as provided by the broker through contract notes, bills, statement of accounts, statement of margin etc. shall be the official records to determine the obligations of broker and the client. Printouts taken from trading system or any other downloads etc. which are taken by the client from trading system may not give the correct picture and therefore shall not be the official record which bind the broker and the client.
- (26) The client is made aware that as an additional service measure the broker provides online access to clients to its web portal for which client shall be / has been provided web login ID and password, upon log in, the client is able to go through entire records of trading, securities / funds holding and transactions as also contract note, bill and other details. Client can also download/print the same through this facility.
- (27) The client should review all information/documents, including but not limited to contract notes/ bills, sent by the broker and/or viewed in/ downloaded from the website of the broker by the client, immediately upon receipt/view/ download. Discrepancies / objections if any (including if any trades in the account are not as per client directions/ orders), must be informed to the broker by sending an e-mail to : compliance@nx-block.com preferably within 24 hours of issuance of contract note or digital contract note or receipt of any other document/ view/ download by the client. Client is forewarned that merely sending an email will not amount to acceptance of mistake / error by the broker unless so accepted after investigation by the broker's Compliance Officer and communicated to the client in writing by the Compliance Officer of the broker.
- (28) The client shall forthwith cease trading and inform the broker in the event the client becomes ineligible to deal with

the broker on account of any court, exchange or regulatory action.

- (29) Information about default in payment/delivery and/or violation of laws/ regulations by a client may be brought to the notice of third parties including but not limited to the exchanges/clearing corporations/credit rating agencies/ law enforcement agencies. In cases where the client is a corporate entity/partnership/proprietary firm/HUF or any other artificial legal entity, then the name(s) of director(s)/ promoter(s)/ partner(s)/proprietor/members of HUF may also be communicated as above.
- (30) The existence of broker client relationship does not imply that broker is liable to provide each and every service to the client, and some service(s) may not be provided in case the client does not fulfil the necessary pre-conditions for the same.
- (31) Where the client chooses to clear his trades through Professional Clearing Member (PCM) , then the broker shall revert such trades as are not confirmed by the PCM to the client who shall be then liable to not only pay all the margins on the same but to also settle the same.
- (32) In case where pay-out of funds/securities/commodities is given by broker to client but the exchange / clearing corporation /clearing house/depository/ counter party takes back such pay-out, then broker has the right to take back the same from client and client shall give back such funds and/or securities to broker immediately upon demand.
- (33) The client shall not work as a authorised person without prior registration with relevant registering authorities such as exchanges/SEBI.
- (34) The client shall also not deal through the broker on an exchange of which the client himself is a Member.

3. PAYMENT RELATED

- (1) The client is made aware that the broker maintains combined books of accounts and transfers the credit lying in any segments/exchange of the client's ledger to another ledger of the client maintained by the broker for different segments/exchanges as per requirement of funds. Further, the broker may consider the credit lying in ledger of any segment/exchange of the client as margin towards any position/exposure taken by the client in other segment / exchange. The client shall not be entitled to claim interest on margins provided by the client in the form of funds and or securities or on any credit lying in the account /ledger of the client.
- (2) The broker does not accept cash and in no event should the client make any payments to the broker, broker's employees, broker's authorised persons and/or any agent or officer of broker by cash.
- (3) The client must make payments from his own bank account mapped/ registered with the broker. The bank instrument must be drawn in favour of the broker only. The broker may demand a proof that the payments are being made by the client from his own account without which the broker may not give credit to the client. In case of Demand Drafts or any similar pre-funded instruments, following may be required:
 - (a) Certificate from the issuing bank on its letterhead or on a plain paper with the seal of the issuing bank.
 - (b) Certified copy of the requisition slip (portion which is retained by the bank) to issue the instrument.
 - (c) Certified copy of the passbook/bank statement for the account debited to issue the instrument. Please ensure that copy of the passbook/bank statement clearly reflects that amount has been debited for the purpose of issuing of prefunded instruments in favor of NX Block Trades Private Limited
 - (d) Authentication of the bank account-number debited and name of the account holder by the issuing bank on the reverse of the instrument.
- (4) The client should never leave/deliver any blank/partially filled instrument(s) such as cheques / depository instruction slips (DIS) etc. with/to the broker/broker's Directors, employees, authorised persons or any other agent of the broker, even if an officer/agent/ director of the broker suggests/advises to do so. The broker shall not be responsible for the misuse of such blank/partially filled cheques / depository instruction slips (DIS) etc.. Only fully filled (incapable of being misused) cheques / depository instruction slips (DIS) etc. may be delivered to the broker's officers designated for receipt of cheques / depository instruction slips (DIS) etc. for the purpose of pay-in etc.
- (5) The broker shall make delivery of funds/securities to the client only after the same has been received from the exchange/clearing corporation/clearing house /the delivering client.
- (6) **ELECTRONIC PAYMENT GATEWAY FOR NET BANKING SERVICES:** The broker may provide on its website access to Electronic Payment Gateways provided by various banks for facilitating transfer of funds from the client's bank account to the trading account of the client with the broker. The client stands informed that the broker is only providing access to the electronic fund transfer facility provided by the banker of the client through the broker's website by means of an interface and the broker is not liable or responsible for the proper functioning or otherwise of the Electronic Payment Gateway or for any transaction errors, losses, malfunctioning or hacking of the system by unscrupulous elements, frauds, and/or any incidental or consequential claims arising there from. The client shall not be entitled to make the broker a



party to any litigation, claim, dispute, difference or complaint that the client may initiate in respect of, arising out of or in connection with any transactions on the Electronic Payment Gateway. The broker expressly excludes liability for any loss consequential, direct, indirect or damage or loss of profit, business, revenue, goodwill or anticipated savings which may arise due to use of the payment gateway services offered by such banks and used by the client. The client shall use the payment window / electronic payment gateway service at client's own risk. These risks would include but not be limited to the following risks:

- (a) Misuse of Password: if any third person obtains access to client password, such third person would be able to provide payment to the broker or may be third parties. Client therefore shall ensure that the terms and conditions applicable to the use of the password as contained in the Electronic Payment Gateway for Net Banking Terms and Conditions are complied with at all times.
 - (b) Internet Frauds: The Internet per se is susceptible to a number of frauds, misuse, hacking and other actions, which could affect payment instructions by the client or misuse thereof. The client shall therefore separately evaluate all risks arising out of the same, and use the payment gateway only if the client is ready and capable of bearing / managing the risks.
 - (c) Mistakes and Errors: The filling in of applicable data for transfer would require proper, accurate and complete details. For example, the client may be required to fill in the account number of the broker. In the event of any inaccuracy in this regard, the funds could be transferred to incorrect accounts and the broker may not be able to assist the client in recovery of such fund(s). The client shall therefore take all care to ensure that there are no mistakes and errors and that the information entered by the client is error free, accurate, proper and complete on each occasion of use. On the other hand in the event of client account with broker or bank receiving an incorrect credit by reason of a mistake committed by some third person, the broker or the bank shall be entitled to reverse the incorrect credit at any time whatsoever without the consent of the client. The client shall be liable and responsible to the broker and accede to and accept the broker's instructions for any unfair or unjust gain obtained by the client as a result of the same.
 - (d) Non-availability risk : Payment gateway may not be available due to link problems or the bank and / or the broker may suspend or terminate electronic payment gateway for net banking facilities without prior notice.
- (7) Broker is entitled to transfer funds to the client through Net Banking / EFT / RTGS / NEFT for the credit to bank account(s) of the client details of which are given by client to the broker. If required by the broker, the client shall also give a cancelled cheque leaf of client's designated bank account for this purpose. The client agrees that it shall not hold the broker liable if any fund is credited to wrong account(s) as a result of the client providing incorrect account details to the broker. The broker reserves the right to reject request of the client for electronic fund transfer or to discontinue the facility without assigning any reason. The client is made aware that the broker shall not be responsible for any delay / failure in transmission of electronic payout of funds due to any reason whatsoever and undertakes to not hold the broker liable in this regard.
- (8) The client is made aware that where client requires, that any funds provided/ belonging to client be converted / deployed in interest bearing instruments such as fixed deposits with the bank and/or further requires that such interest bearing instruments be placed as margin/ collateral/security with the broker and/or with the exchange and/or with the clearing corporations, the broker may do so entirely at the risk and cost of the client. Client should note that the interest if any which is received by the broker on such interest bearing instruments shall be credited to the running account of the client with the broker only upon actual receipt by the broker and after deduction of all costs and charges including the cost of creation of such interest bearing instruments and the taxes, levies and charges as may be levied on interest earned on such instruments. The client further stands informed, that reconciliation of interest received across clients/ broker's own fixed deposits etc. shall take time which may extend upto 30 days though efforts will be made by the broker to reconcile and transfer the interest into client's running account with broker earlier. Further, in the event client desires to withdraw any such instrument placed as margin/collaterals with broker/exchange /clearing corporation, the withdrawal shall be facilitated by the broker on best effort basis subject to the timelines and procedures prescribed by the exchanges /clearing corporations/broker as the case may be, provided further that withdrawal of the instrument shall be subject to it being free from any charge or usage such as being considered as margin/ collateral for the client by the exchanges / clearing corporations/ broker. Client is made aware that there are number of risks associated with creation and/or usage of interest bearing instruments such as fixed deposits with the bank for the purposes of providing collateral/ security by the client to the exchanges/ clearing corporations/ broker, which the client should carefully examine and be ready to bear. Some of the risks are:
- (a) The bank chosen by client for getting the interest bearing instruments such as fixed deposits created may suffer adverse financial circumstances (or 'fail' in common parlance) and the interest bearing instruments such as fixed deposits issued by such bank may lose value/ become incapable of liquidation/ converted to cash.
 - (b) The exchanges/clearing corporations may change their policies and stops accepting interest bearing instruments

such as fixed deposits with the banks as margin/ collateral either completely or specifically from the bank from which the client has got created his interest bearing instruments such as fixed deposits.

4. CORPORATE ACTION

- (1) Client must monitor corporate actions on securities (shares/stocks etc.) belonging / purchased by client including when they are in the broker's demat account(s). Where securities of client are in a demat account of the broker , the broker shall not be responsible to apply for corporate benefit and/or participate in any corporate action on the securities of the client and the client should ensure to get his securities transferred well in time to client's own demat account (by making payment etc. for the same as may be required) so as to receive the corporate benefits and/or participate in corporate action.
- (2) Broker, in exceptional circumstances upon specific written request of the client may attempt to seek corporate benefits for and on behalf of the client, provided the request of client is received well in advance of applicable deadline and is accompanied with payment and/or other requirements necessary for making the application. Client is made aware that the application by the broker shall be without any warranty/guarantee that the corporate benefits shall be received by the client.
- (3) Client is further informed that application by the broker for corporate benefits may lead to receipt of lesser corporate benefits as the application by the broker may result in clubbing of quantities across clients and/or with broker's proprietary holdings leading to only proportionate allotment, which may be lesser than the benefits which client would be eligible to receive on client's individual application.
- (4) Client is also informed that under the current regulatory and procedural requirements the broker may not be able to help/ assist the client to apply for and receive corporate benefits on client's securities lying in the Client Unpaid Securities Account (CUSA). Such inability of broker to take action for and on behalf of client may also extend to corporate actions such as special settlement / buy back/ take over/ tender offer/ rights etc. Therefore the client should get his securities transferred to his own demat account before record date (by making payment etc. for the same as may be required) and apply himself for the corporate benefits and/or take action for special settlement / buy back/ take over/ tender offer/ rights etc..
- (5) The client is made aware that any securities of the client available to the broker as margin/ collateral and/or those securities which are received by the broker as part of pay-in/ pay out due from/to the client may receive dividends/ corporate benefits while they are in the depository account(s) of the broker. In such circumstances the dividends/ corporate benefits would come into the bank/depository account(s) of the broker. A distribution / release of such dividends/corporate benefits into the account of the client would require time consuming reconciliation between the various clients as also the proprietary holdings of the broker. This exercise has to be carefully executed because once the dividends/ corporate benefits are released into the accounts of respective clients the same cannot be easily retrieved. Therefore the outer limit for distribution of such dividends/corporate benefits into the accounts of clients is set at 30 days from the date of receipt of such dividends/corporate benefits into the account(s) of the broker.
- (6) The contract specifications may undergo changes because of corporate actions (such as securities split etc.) /directions by exchanges, and the client should actively monitor his open positions and take necessary actions to avoid any losses on account of any such changes.

5. GENERAL

- (1) 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, Regulations and circulars of / issued by SEBI/ exchange/clearing corporations/government. Client is made aware that the terms and conditions of the applicable/ relevant Laws, Rules, Byelaws, Regulations and circulars prescribed by government, SEBI /exchanges/clearing corporations/statutory authorities are applicable to the client's dealing and relationship with the broker and these terms and conditions shall be read along with the terms and conditions of this 'Policies and Procedure' document where ever required and applicable to determine the rights and obligations of the client and broker. Without limiting the generality of the foregoing the terms of following SEBI/Exchange prescribed documents shall always be deemed to be part of this document namely 1. Rights and Obligations of Stock Brokers and Clients. 2. Risk Disclosure Document for Capital Market and Derivatives Segments. 3. Guidance Note- Do's and Don'ts for Trading on the Exchange(s) for Investors. Reference to exchange(s)/ stock exchange(s) in this Policies and Procedures document as also in all other broker-client documents shall include/ mean a referrence to relevant clearing corporation where the context so requires.
- (2) **MODES OF COMMUNICATION BY BROKER**
 - (a) The broker may send various information including but not limited to documents, bills, contract notes, margin statements, statement of accounts etc., to the client through any one or more of the following means i.e. email, SMS,

post, registered post, speed post, courier, whatsapp /telegram, voice mail, , telephone, messages on trading platform, through word of mouth by the agents of the broker, by displaying it on the website of the broker or making it available as a download from the website of the broker, displaying it on the notice board of the branch, newspaper advertisements or if circumstances so require, by broadcast over radio/television. The responsibility of the broker to provide any information or document to the client shall be complete when the broker delivers such document/information into the hands or system of information/ document transmission service providers including but not limited to the internet service provider, SMS service provider, whatsapp , telegram , email services providers, courier service provider, postal department, etc. As the service providers for delivery of information to the client including but not limited to those listed above are independent of the broker the client shall not hold the broker responsible for delayed receipt / non-receipt of any information or document which the broker has sent through any service provider(s) including those listed above. Further, the client shall not be entitled to claim any direct or indirect losses or damages suffered by the client whether actual or as opportunity loss on account of non-receipt / delayed receipt of any information so sent by the broker through any service providers including but not limited to those listed above.

- (b) Client is made aware that broker does not take cognizance of any “out-of-office/out of station” or similar replies and emails to which such replies are sent by client shall be deemed to have been received by client. Therefore client must keep a regular watch on his email account and also add broker's email address(es) as non – spam email address(es) in his system so as to ensure receipt of emails from the broker into his inbox.
 - (c) The broker shall not be responsible for the non-receipt of any communication due to any change in the email address, mobile number or correspondence address of the client and client must ensure that broker is intimated in writing as soon as any change in these occurs and cross verify with broker that broker has updated such address, mobile number or email address change in its records.
 - (d) Broker preserves on best effort basis various electronic and physical records upto such timelines as are prescribed under the regulatory/legal requirements applicable to the broker. These records may include but are not limited to voice recording of order placements/modifications/ cancellations (for offline order placements), voice recordings of other communications/directions with the client where prescribed/required and other records such as dispatch proof of communications sent to client including but not limited to contents/ copies of SMS and emails sent to clients and their dispatch logs as also logs of bounced / failed to deliver emails etc. Similarly physical documents including documents executed by the client for account opening, various authorisations given from time are also preserved through reasonably practicable efforts. However, the records particularly electronic records by their very nature are prone to loss/damage due to damage to the computer systems/ electronic storage devices wherein these records are stored as these devices can malfunction/ get corrupted easily. Therefore, mere inability of the broker to retrieve and make available any records including but not limited to those listed above shall not make the transactions/ orders/ dispatch of documents to client void or voidable. It shall therefore not be open to the client to simply disown transactions/execution / receipt or execution of documents and require the broker to prove each transactions and/or execution/dispatch / receipts of documents by client through production of voice records / electronic records, copies of executed documents which the broker may not be in a position to produce due to destruction/ damage to such records for reasons beyond control of broker including but not limited to those stated above.
- (3) The client is made aware that the broker may appoint agents, credit bureau for carrying out the acts mentioned in or in relation to rendering its services. Further the broker may have different types of arrangements with various partners, group entities, vendors, agencies, affiliates, agents, regulators etc., and may share client's account related information, reports issued by such credit bureau with any such parties for various regulatory and other purposes. And the client shall not be entitled to question / invalidate/challenge under law any such sharing of information/reports by the broker.
 - (4) The broker shall be entitled but not obliged to act upon and take on record any and all documents including updation/modification requests received from the client in/ through any digital/ electronic mode which is registered with broker and the client shall not be entitled to question or invalidate acceptance and actions by broker upon such electronic/digital instruction(s), and these electronic instructions would be considered sufficient and binding on client for all purposes whatsoever.
 - (5) Client is made aware that the powers and authorities conferred by client's power of attorney shall continue until client revokes the same in writing and gets delivered the revocation letter through speed post at 5th Floor, Urmila Business Park, A95B, Sector-136, Noida, Uttar Pradesh-201304 and the revocation is duly acknowledged by broker. Any such revocation will take effect after the completion of outstanding obligation existing on the date of receipt of revocation by the broker.
 - (6) The client shall indemnify and keep safe, harmless and indemnified the broker and its officials from any damages, claims, demands, proceedings, loss, costs, charges, penalties and expenses etc. by whatsoever name called which the broker

may at anytime incur, sustain, suffer directly or indirectly as a consequence of or arising out of actions of the client including but not limited to client's interference with or misuse, improper or fraudulent use of the trading system or execution of illegal transactions by the client or due to bad delivery and/ or fake/forged/stolen shares/ securities/transfer documents introduced by or through the client and / or t due to false / fabricated / illegal documents / information such as proof of address, identity and other supporting/ documents provided by client to the broker at the time of registration and/ or subsequently.

- (7) In addition to the specific rights set out in this document, the broker shall be entitled to exercise any other rights which the broker may have under the Rules, Byelaws, Regulations or circulars of / issued by SEBI/ exchange/clearing corporations/government.
- (8) The terms/ conditions/ provisions in this document can be added to or altered by the broker by informing the client through any one or more modes of communication by broker enumerated under clause/sub-clause titled "MODES OF COMMUNICATION BY BROKER" of this document. If the client does not wish to accept such added or altered terms/ conditions/provisions, the client should stop trading prior to expiry of notice period if applicable or urgently and settle the dues in his trading and other related account(s) such as depository account etc. and close his trading and all other accounts by following the procedure prescribed for voluntary closure of account. If the client continues to trade / use the services of broker subsequent to communication by broker of any addition/ alteration in the terms/ conditions/provisions, it shall mean / imply that client has agreed to abide by such revised/ amended terms and conditions, and the client shall not be entitled to dispute/refute application of such additions/ alterations to terms/ conditions/provisions to his account/ transactions etc. However, if the rights and obligations of the parties hereto are altered by virtue of changes in Rules, Byelaws, Regulations or circulars of / issued by SEBI/ exchange/clearing corporations/government, the broker shall not be required to inform the client unless so required by exchanges/ clearing corporations/SEBI/government etc. and such changes shall be deemed to have been incorporated herein and in all other broker - client documents like tariff sheet, Rights and Obligations document, Risk Disclosure Document, Guidance Note, and various Authorisations etc. as may be applicable, and become binding on the client and the broker from the date mandated by exchanges/ clearing corporations/SEBI/government etc.
- (9) The client is made aware that in case any of the terms and conditions of this document are declared by a competent court of law/ statutory authority as invalid, illegal or unenforceable partially or fully in any respect of / or under any law, the validity, legality and enforceability of the remaining provisions or part of the provisions contained herein shall not in any way be affected or impaired and such valid and legal terms and conditions shall continue to be enforceable against the client without impairing the validity and enforceability of the document.
- (10) Client is made aware that any of the terms and conditions under 'Policies and Procedures' or any other broker-client document/ policies including Risk Management System Policies (RMS Policies) may be waived at any time by the broker only through writing, but no such waiver shall affect or impair the right of the broker to require observance and performance of any other term or conditions under any broker-client documents/ policies including those listed above. Further any failure or delay on the part of broker to exercise any right, power or privilege under any broker-client documents/ policies including those listed above shall be deemed to be a waiver of any subsequent breach or default by the client nor shall any non or partial exercise of any such right, power or privilege preclude any further exercise thereof or the exercise of any other right, power or privilege by the broker.
- (11) The client and broker shall compulsorily settle any and all disputes/differences/claims only through arbitration as provided for in the bye laws, rules and regulations of the exchange.
- (12) The client is informed that most of the broking documents including various broking related circulars, account opening documents and risk disclosure documents etc. have been issued by the statutory authorities in English. As a result, the broker's documents including this account opening booklet/set are also in English. Similarly, the trading systems of exchanges operate in the English language and as a result the trading terminals of the brokers and their web or mobile based trading interfaces also use the English language. Hence contract notes, bills, margin files and all other documents are also issued in English. It is therefore essential that the client is able to understand these documents in English and use English for trading interfaces etc. The client shall not be entitled to avoid/deny obligations to settle trades/transactions in the client's account in future by claiming lack of proficiency/knowledge of English language.



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Client Signature

Client Name:

Date: