



money *must* grow

**Globe Capital Market Ltd.**

**Regd. & Corporate Office:** 609, Ansal Bhawan, 16 K.G. Marg, Connaught Place, New Delhi 110001

**CIN No. -** U74100DL1985PLC021350

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**SEBI Regn. No.:**

Equity SEBI Registration No INZ000177137. Exchange Registration Nos NSE : TM No-06637,

Clearing No-M50302, BSE : TM No-3179, MSEI : TM Code-1004

MCX TM No. : 8091, CM ID : 8090, NCDEX TM No. : 1287, CM ID : M51085, ICEX TM No. : 2084

Depository Participant : IN-DP-NSDL-97-99



# CLIENT COPY

## ACKNOWLEDGEMENT TO CLIENT



**GLOBE CAPITAL MARKET LTD.**

Date : \_\_\_\_\_

We hereby acknowledge the receipt of the Account Opening Form (KYC) with thanks from

Client Name					
PAN					
RM Name		Emp. Code		Branch Code	
RM Mobile			E-mail		
Customer Care No.	011-43666566		E-mail	customercare@globecapital.com	
Head Office	609/804, Ansal Bhawan, 16 KG Marg, Connaught Place, New Delhi-110001				

To check your account opening status : log on to <https://ekycpan.globecapital.in:91/KYC/KYCStatus> (enter your PAN Card No.)

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## **RIGHTS AND OBLIGATIONS OF STOCK BROKERS, AUTHORISED PERSONS AND CLIENTS**

### **As prescribed by SEBI, Stock Exchanges & Commodity Exchanges**

1. The client shall invest/trade in those securities/commodities/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 member, authorised persons 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 member 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 member.
4. The member 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 authorised persons 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/commodities/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 member 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 authorised persons 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 member 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/commodities deposited by the client shall be kept in a separate account, distinct from his/its own account or account of any other client and shall not be used by the stock broker for himself/itself or for any other client or for any purpose other than the purposes mentioned in Rules, Regulations, circulars, notices, guidelines of SEBI and/or Rules, Regulations, Byelaws, circulars and notices of Exchange.
16. Where the Exchange(s) cancels trade(s) suo moto all such trades including the trade/s done on behalf of the client shall ipso facto stand cancelled, stock broker shall be entitled to cancel the respective contract(s) with client(s).
17. The transactions executed on the Exchange are subject to Rules, Byelaws and Regulations and circulars/notices issued there under of the Exchanges where the trade is executed and all parties to such trade shall have submitted to the jurisdiction of such court as may be specified by the Byelaws and Regulations of the Exchanges where the trade is executed for the purpose of giving effect to the provisions of the Rules, Byelaws and Regulations of the Exchanges and the circulars/notices issued there under.

#### **BROKERAGE**

18. The Client shall pay to the stock broker brokerage and statutory levies as are prevailing from time to time and as they apply to the Client's account, transactions and to the services that stock broker renders to the Client. The stock broker shall not charge brokerage more than the maximum brokerage permissible as per the rules, regulations and bye-laws of the relevant stock exchanges and/or rules and regulations of SEBI.

#### **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/commodities 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/commodities in favor of a Nominee shall be valid discharge by the stock broker against the legal heir.
21. The stock broker shall bring to the notice of the relevant Exchange the information about default in payment/delivery and related aspects by a client. In case where defaulting client is a corporate entity/partnership/proprietary firm or any other artificial legal entity, then the name(s) of Director(s)/Promoter(s)/Partner(s)/Proprietor as the case may be, shall also be communicated by the stock broker to the relevant Exchange(s).

#### **DISPUTE RESOLUTION**

22. The stock broker shall provide the client with the relevant contact details of the concerned Exchanges and SEBI.
23. The stock broker shall co-operate in redressing grievances of the client in respect of all transactions routed through it and in removing objections for bad delivery of shares, rectification of bad delivery, etc.
24. The client and the stock broker shall refer any claims and/or disputes with respect to deposits, margin money, etc., to arbitration as per the Rules, Byelaws and Regulations of the Exchanges where the trade is executed and circulars/notices issued there under as may be in force from time to time.
25. The stock broker shall ensure faster settlement of any arbitration proceedings arising out of the transactions entered into between him vis-à-vis the client and he shall be liable to implement the arbitration awards made in such proceedings.
26. The client/stock-broker understands that the instructions issued by an authorized representative for dispute resolution, if any, of the client/stock-broker shall be binding on the client/stock-broker in accordance with the letter authorizing the said representative to deal on behalf of the said client/stock-broker.

#### **TERMINATION OF RELATIONSHIP**

27. This relationship between the stock broker and the client shall be terminated; if the stock broker for any reason ceases to be a member of the stock exchange including cessation of membership by reason of the stock broker's default, death, resignation or expulsion or if the certificate is cancelled by the Board.
28. The stock broker, sub-broker and the client shall be entitled to terminate the relationship between them without giving any reasons to the other party, after giving notice in writing of not less than one month to the other parties. Notwithstanding any such termination, all rights, liabilities and obligations

of the parties arising out of or in respect of transactions entered into prior to the termination of this relationship shall continue to subsist and vest in/be binding on the respective parties or his/its respective heirs, executors, administrators, legal representatives or successors, as the case may be.

29. In the event of demise/insolvency of the authorised person 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/commodities 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/commodities.

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

### **ELECTRONIC CONTRACT NOTES (ECN)**

37. In case, client opts to receive the contract note in electronic form, he shall provide an appropriate email id to the stock broker. The client shall communicate to the stock broker any change in the email-id through a physical letter. If the client has opted for internet trading, the request for change of email id may be made through the secured access by way of client specific user id and password.
38. The stock broker shall ensure that all ECNs sent through the e-mail shall be digitally signed, encrypted, non-tamper able and in compliance with the provisions of the IT Act, 2000. In case, ECN is sent through email as an attachment, the attached file shall also be secured with the digital signature, encrypted and nontamperable.
39. The client shall note that non-receipt of bounced mail notification by the stock broker shall amount to delivery of the contract note at the e-mail ID of the client.
40. The stock broker shall retain ECN and acknowledgement of the e-mail in a soft and non-tamperable form in the manner prescribed by the exchange in compliance with the provisions of the IT Act, 2000 and as per the extant rules/regulations/circulars/guidelines issued by SEBI/Stock Exchanges from time to time. The proof of delivery i.e., log report generated by the system at the time of sending the contract notes shall be maintained by the stock broker for the specified period under the extant regulations of SEBI/stock exchanges. The log report shall provide the details of the contract notes that are not delivered to the client/e-mails rejected or bounced back. The stock broker shall take all possible steps to ensure receipt of notification of bounced mails by him at all times within the stipulated time period under the extant regulations of SEBI/stock exchanges.
41. The stock broker shall continue to send contract notes in the physical mode to such clients who do not opt to receive the contract notes in the electronic form. Wherever the ECNs have not been delivered to the client or has been rejected (bouncing of mails) by the e-mail ID of the client, the stock broker shall send a physical contract note to the client within the stipulated time under the extant regulations of SEBI/stock exchanges and maintain the proof of delivery of such physical contract notes.

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

### **LAW AND JURISDICTION**

43. In addition to the specific rights set out in this document, the stock broker, authorised person and the client shall be entitled to exercise any other rights which the stock broker or the client may have under the Rules, Bye-laws and Regulations of the Exchanges in which the client chooses to trade and circulars/notices issued there under or Rules and Regulations of SEBI.
44. The provisions of this document shall always be subject to Government notifications, any rules, regulations, guidelines and circulars/notices issued by SEBI and Rules, Regulations and Bye laws of the relevant stock exchanges, where the trade is executed, that may be in force from time to time.
45. The stock broker and the client shall abide by any award passed by the Arbitrator(s) under the Arbitration and Conciliation Act, 1996. However, there is also a provision of appeal within the stock exchanges, if either party is not satisfied with the arbitration award.
46. Words and expressions which are used in this document but which are not defined herein shall, unless the context otherwise requires, have the same meaning as assigned thereto in the Rules, Byelaws and Regulations and circulars/notices issued there under of the Exchanges/SEBI.
47. All additional voluntary clauses/document added by the stock broker should not be in contravention with rules/regulations/notices/circulars of Exchanges/SEBI. Any changes in such voluntary clauses/document(s) need to be preceded by a notice of 15 days. Any changes in the rights and obligations which are specified by Exchanges/SEBI shall also be brought to the notice of the clients.
48. If the rights and obligations of the parties hereto are altered by virtue of change in Rules and regulations of SEBI or Bye-laws, Rules and Regulations of the relevant stock Exchanges where the trade is executed, such changes shall be deemed to have been incorporated herein in modification of the rights and obligations of the parties mentioned in this document.
49. The stock broker / stock broker and depository participant shall not directly / indirectly compel the clients to execute Power of Attorney (PoA) or Demat Debit and Pledge Instruction (DDPI) or deny services to the client if the client refuses to execute PoA or DDPI.”

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

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

1. Stock broker is eligible for providing Internet based trading (IBT) and securities/commodities 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/commodities trading through use of wireless technology. The Stock broker shall provide the Stock broker's IBT Service to the Client, and the Client shall avail of the Stock broker's IBT Service, on and subject to SEBI/Exchanges Provisions and the terms and conditions specified on the Stock broker's IBT Web Site provided that they are in line with the norms prescribed by Exchanges/SEBI.
3. The stock broker shall bring to the notice of client the features, risks, responsibilities, obligations and liabilities associated with securities trading through wireless technology/internet/smart order routing or any other technology should be brought to the notice of the client by the stock broker.
4. The stock broker shall make the client aware that the Stock Broker's IBT system itself generates the initial password and its password policy as stipulated in line with norms prescribed by Exchanges/SEBI.
5. The Client shall be responsible for keeping the Username and Password confidential and secure and shall be solely responsible for all orders entered and transactions done by any person whosoever through the Stock broker's IBT System using the Client's Username and/or Password whether or not such person was authorized to do so. Also the client is aware that authentication technologies and strict security measures are required for the internet trading/securities/commodities 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/Commodities/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, Commodity futures contracts, 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 :

**I. BASIC RISKS :**

**I.1 Risk of Higher Volatility:**

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

**I.2 Risk of Lower Liquidity:**

Liquidity refers to the ability of market participants to buy and/or sell securities / commodities / 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 / commodities / 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.

**I.2.1** Buying or selling securities / commodities / derivatives contracts as part of a day trading strategy may also result into losses, because in such a situation, securities/commodities/ 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 / commodity / derivatives contract.

**I.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 / commodity / 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 / commodities / derivatives contracts. This in turn will hamper better price formation.

**I.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.

**I.4.1** A "market" order will be executed promptly, subject to availability of orders on opposite side, without regard to price and that, while the customer may receive a prompt execution of a "market" order, the execution may be at available prices of outstanding orders, which satisfy the order quantity, on price time priority. It may be understood that these prices may be significantly different from the last traded price or the best price in that security / derivatives contract.

**I.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.

**I.4.3** A stop loss order is generally placed "away" from the current price of a stock / commodity / 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 / commodity / 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 / commodity /contract.

### 1.6 Risk of Rumors:

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

### 1.7 System Risk:

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

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

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

### 1.8 System/Network Congestion:

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

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

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

In the derivatives market, the amount of margin is small relative to the value of the derivatives contract so the transactions are 'leveraged' or 'geared'. Derivatives trading, which is conducted with a relatively small amount of margin, provides the possibility of great profit or loss in comparison with the margin amount. But transactions in derivatives carry a high degree of risk. You should therefore completely understand the following statements before actually trading in derivatives and also trade with caution while taking into account one's circumstances,

financial resources, etc. If the prices move against you, you may lose a part of or whole margin amount in a relatively short period of time. Moreover, the loss may exceed the original margin amount.

- A. Futures trading involve daily settlement of all positions. Every day the open positions are marked to market based on the closing level of the index / derivatives contract. If the contract has moved against you, you will be required to deposit the amount of loss (notional) resulting from such movement. This amount will have to be paid within a stipulated time frame, generally before commencement of trading on next day.
- B. If you fail to deposit the additional amount by the deadline or if an outstanding debt occurs in your account, the stock broker may liquidate a part of or the whole position or substitute securities. In this case, you will be liable for any losses incurred due to such close-outs.
- C. Under certain market conditions, an investor may find it difficult or impossible to execute transactions. For example, this situation can occur due to factors such as illiquidity i.e. when there are insufficient bids or offers or suspension of trading due to price limit or circuit breakers etc.
- D. In order to maintain market stability, the following steps may be adopted: changes in the margin rate, increases in the cash margin rate or others. These new measures may also be applied to the existing open interests. In such conditions, you will be required to put up additional margins or reduce your positions.
- E. You must ask your broker to provide the full details of derivatives contracts you plan to trade i.e. the contract specifications and the associated obligations.

### 2.2 Currency specific risks:

1. The profit or loss in transactions in foreign currency-denominated contracts, whether they are traded in your own or another jurisdiction, will be affected by fluctuations in currency rates where there is a need to convert from the currency denomination of the contract to another currency.
2. Under certain market conditions, you may find it difficult or impossible to liquidate a position. This can occur, for example when a currency is deregulated or fixed trading bands are widened.
3. Currency prices are highly volatile. Price movements for currencies are influenced by, among other things: changing supply-demand relationships; trade, fiscal, monetary, exchange control programs and policies of governments; foreign political and economic events and policies; changes in national and international interest rates and inflation; currency devaluation; and sentiment of the market place. None of these factors can be controlled by any individual advisor and no assurance can be given that an advisor's advice will result in profitable trades for a participating customer or that a customer will not incur losses from such events.

### 2.3 Risk of Option holders:

1. An option holder runs the risk of losing the entire amount paid for the option in a relatively short period of time. This risk reflects the nature of an option as a wasting asset which becomes worthless when it expires. An option holder who neither sells his option in the secondary market nor exercises it prior to its expiration will necessarily lose his entire investment in the option. If the price of the underlying does not change in the

anticipated direction before the option expires, to an extent sufficient to cover the cost of the option, the investor may lose all or a significant part of his investment in the option.

2. The Exchanges may impose exercise restrictions and have absolute authority to restrict the exercise of options at certain times in specified circumstances.

#### 2.4 Risks of Option Writers:

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

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

Any additional provisions defining the features, risks, responsibilities, obligations and liabilities associated with securities/commodities 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.

##### i. Deposited cash and property:

You should familiarize yourself with the protections accorded to the money or other property you deposit particularly in the event of a firm become insolvent or bankrupt. The extent to which you may recover your money or property may be governed by specific legislation or local rules. In some jurisdictions, property, which has been specifically identifiable as your own, will be pro-rated in the same manner as cash for purposes of distribution in the event of a shortfall. In case of any dispute with the Member of the Exchange, the same shall be subject to arbitration as per the Rules, Bye-laws and Business Rules of the Exchange.

##### ii. Commission and other charges:

Before you begin to trade, you should obtain a clear explanation of all commissions, fees and other charges for which you will be liable. These charges will affect your net profit (if any) or increase your loss.

iii. For rights and obligations of the Members/Authorised Persons/ clients, please refer to Right and Obligation of Members, Authorized Person and Clients.

iv. The term 'Constituent' shall mean and include a Client, a Customer or an Investor, who deals with a member for the purpose of trading in the commodity derivatives through the mechanism provided by the Exchange.

v. The term 'member' shall mean and include a Trading Member or a Member/Broker, who has been admitted as such by the Exchange and got a Unique Member Code from SEBI.

### ADDITIONAL RISK DISCLOSURE DOCUMENTS FOR OPTIONS TRADING

#### Risk of Option holders:

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

#### Risks of Option Writers:

1. If the price movement of the underlying is not in the anticipated direction, the option writer runs the risks of losing substantial amount.
2. The risk of being an option writer may be reduced by the purchase of other

options on the same underlying interest and thereby assuming a spread position or by acquiring other types of hedging positions in the options markets or other markets. However, even where the writer has assumed a spread or other hedging position, the risks may still be significant. A spread position is not necessarily less risky than a simple 'long' or 'short' position.

3. Transactions that involve buying and writing multiple options in combination, or buying or writing options in combination with buying or selling short the underlying interests, present additional risks to investors. Combination transactions, such as option spreads, are more complex than buying or writing a single option. And it should be further noted that, as in any area of investing, a complexity not well understood is, in itself, a risk factor. While this is not to suggest that combination strategies should not be considered, it is advisable, as is the case with all investments in options, to consult with someone who is experienced and knowledgeable with respect to the risks and potential rewards of combination transactions under various market circumstances.

### A. BEFORE YOU BEGIN TO TRADE

1. Ensure that you deal with and through only SEBI registered intermediaries. You may check their SEBI registration certificate number from the list available on the Stock exchanges website [www.nseindia.com](http://www.nseindia.com), [www.bseindia.com](http://www.bseindia.com), [www.msei.in](http://www.msei.in) and SEBI website [www.sebi.gov.in](http://www.sebi.gov.in).  
For MCX : <http://www.mcxindia.com/SitePages/MembersDetails.aspx>.  
For NCDEX : <http://www.ncdex.com/Membership/Memberdirectory.aspx>.  
For ICEX : <http://www.icexindia.com/membership/MembersDetail.aspx>. for account opening
2. Ensure that you fill the KYC form completely and strike off the blank fields in the KYC form.
3. Ensure that you have read all the mandatory documents viz. Rights and Obligations, Risk Disclosure Document, Policy and Procedure document of the stock broker.
4. Ensure to read, understand and then sign the voluntary clauses, if any, agreed between you and the stock broker. Note that the clauses as agreed between you and the stock broker cannot be changed without your consent.
5. Get a clear idea about all brokerage, commissions, fees and other charges levied by the broker on you for trading and the relevant provisions/guidelines specified by SEBI/Stock exchanges.
6. Obtain a copy of all the documents executed by you from the stock broker free of charge.
7. In case you wish to execute Power of Attorney (POA) in favour of the Stock broker, authorizing it to operate your bank and demat account, please refer to the guidelines issued by SEBI/Exchanges in this regard

### B. TRANSACTIONS AND SETTLEMENTS

8. The stock broker may issue electronic contract notes (ECN) if specifically authorized by you in writing. You should provide your email id to the stock broker for the same. Don't opt for ECN if you are not familiar with computers.
9. Don't share your internet trading account's password with anyone.
10. Don't make any payment in cash to the stock broker.
11. Make the payments by account payee cheque in favour of the stock broker. Don't issue cheques in the name of authorised person. Ensure that you have a documentary proof of your payment/deposit of securities/commodities 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 / commodities and the details of the pledged shares, if any.

- c) On the date of settlement, the stock broker may retain the requisite securities/commodities / 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 / commodities due from clients as on date of settlement and for next day's business, he may retain funds/securities/margin to the extent of value of transactions executed on the day of such settlement in cash market.
  - d) You need to bring any dispute arising from the statement of account or settlement so made to the notice of the stock broker in writing preferably within 7 (seven) working days from the date of receipt of funds/securities or statement, as the case may be. In case of dispute, refer the matter in writing to the Investors Grievance Cell of the relevant Stock exchanges without delay.
14. In case you have not opted for maintaining running account and pay-out of funds/securities/commodities is not received on the next working day of the receipt of payout from the exchanges, please refer the matter to the stock broker. In case there is dispute, ensure that you lodge a complaint in writing immediately with the Investors Grievance Cell of the relevant Stock exchange.
  15. Please register your mobile number and email id with the stock broker, to receive trade confirmation alerts/ details of the transactions through SMS or email, by the end of the trading day, from the stock exchanges.

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

16. In case, a stock broker surrenders his membership, is expelled from membership or declared a defaulter; Stock exchanges 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.

### D. DISPUTES/ COMPLAINTS

18. Please note that the details of the arbitration proceedings, penal action against the brokers and investor complaints against the stock brokers are displayed on the website of the relevant Stock exchange.
19. In case your issue/problem/grievance is not being sorted out by concerned stock broker/authorised person 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/authorised person has been mandated by SEBI to designate an e-mail ID of the grievance redressal division/compliance officer exclusively for the purpose of registering complaints.

**I. PENNY STOCKS**

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

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

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

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

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

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

**4. APPLICABLE BROKERAGE RATE**

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

**5. IMPOSITION OF PENALTY/DELAYED PAYMENT CHARGES**

Clients will be liable to pay late pay in/delayed payment charges for not making payment of their paying/margin obligation on time as per the exchange requirement/schedule at the rate of 2% per month. The client agree that the Stock broker may impose fine and penalties for the order/trades/margin/deals/ actions of the clients which is contrary to these agreement/rules/regulations/bye laws of the exchange or any other law for the time being in force at such rates and in such form as it may deem fit. Further where the stock broker has to pay any fine or bear any punishment from any authority in connection with/as a consequence of/in relation to any of the orders/trades/deals/actions of the client, the same shall be borne by the client.

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

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

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

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

Stock broker shall not be obliged to deliver any securities or pay any money to the client unless and until the same has been received by the stock broker from the exchange, the clearing corporation/clearing house or other company or entity liable to make the payment and the client has fulfilled his/her/its obligation first. The policy and procedure for settlement of shortages in obligations arising out of internal meeting of trades is as under:

- a) The Short delivering client is debited by an amount equivalent to 20% above of closing rate of day prior to Pay-in/Payout Day. The securities delivered short are purchased from market on T+2 day and the purchase consideration (inclusive of all statutory taxes & levies) is debited to the short delivering seller client along with reversal entry of provisionally amount debited earlier.
- b) If securities cannot be purchased from market due to any force majeure condition, the short delivering seller is debited at the closing rate on T+3 day or Auction day on Exchange + 10% where the delivery is matched partially or fully at the Exchange Clearing, the delivery and debits/credits shall be as per Exchange Debits and Credits.
- c) In case of securities having corporate actions all cases of short delivery of cum transactions which cannot be auctioned on cum basis or where the cum basis auctioned on cum basis or where the cum basis action payout is after the book closure/record date, would be compulsory closed out at higher of 10% above the official closing price on the auction day or the highest traded price from first trading day of the settlement till the auction day.

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

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

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

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

governance carries out internal checks on the transactional activities in the clients accounts to verify trading in dormant accounts, trading in illiquid scripts, any manipulated activities by the Client's (detectable), ECN bounces and trading activities not commensurate with income declared, other money laundering activities, first time trade in future and options, spurt in volumes and any other activities which broker may feel is derogatory/detrimental to the market or client. These activities are carried out as proactive measures and some of them as various regulatory requirements. In above cases, Stock Broker may deactivate the client account in the system for the purpose of further trading activity with or without notice.

## **10. DEREGISTERING A CLIENT**

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

- (i) If the action of the client are prima facie illegal/improper or such as to manipulate the price of any securities or disturb the normal/proper functioning of securities or disturb the normal/proper functioning of the market, either alone or in conjunction with others.
- (ii) If there is any commencement of legal process against the client under any law in force;]
- (iii) On the death/lunacy or other disability of the Client.
- (iv) If the Client suffers any adverse material change in his /her/its financial position or defaults in any other agreement with the Stock broker;
- (v) If there is reasonable apprehension that the Client is unable to pay its debts or the client has admitted its inability to pay its debts, as they become payable;
- (vi) If the Client is in breach of any term, condition or covenant of this Agreement;
- (vii) If the client has made any material misrepresentation of facts, including (without limitation) in relation to the Security;
- (viii) If a receiver, administrator or liquidator has been appointed or allowed to be appointed of all or any part of the undertaking of the Client;
- (ix) If the Client have taken or suffered to be taken any action for its reorganization, liquidation or dissolution;
- (x) If the client has voluntarily or compulsorily become the subject of proceedings under any bankruptcy or insolvency law or being a company, goes into liquidation or has a receiver appointed in respect of its assets or refers itself to the Board for Industrial and Financial Reconstruction or under any other law providing protection as a relied undertaking;
- (xi) If any covenant or warranty of the client is incorrect or untrue in any material respect;

## **11. INACTIVE CLIENT ACCOUNT**

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

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

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

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

**13. RETURN OF EXCESS SECURITIES:**

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

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

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

**15. PAYMENT TERMS:**

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

**1. ILLIQUID CONTRACTS**

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

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

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

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

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

**4. APPLICABLE BROKERAGE RATE**

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

**5. IMPOSITION OF PENALTY/DELAYED PAYMENT CHARGES**

Clients will be liable to pay late pay in/delayed payment charges for not making payment of their paying/margin obligation on time as per the exchange requirement/schedule at the rate of 3% per month. The client agree that the Broker may impose fine and penalties for the order/trades/margin/deals/ actions of the clients which is contrary to these agreement/rules/regulations/bye laws of the exchange or any other law for the time being in force at such rates and in such form as it may deem fit. Further where the Broker has to pay any fine or bear any punishment from any authority in connection with/as a consequence of/in relation to any of the orders/trades/deals/actions of the client, the same shall be borne by the client.

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

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

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

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

Broker shall not be obliged to deliver any Commodities or pay any money to the client unless and until the same has been received by the Broker from the exchange, the clearing corporation/clearing house or other company or entity liable to make the payment and the client has fulfilled his/her/its obligation first. In case of short delivery by a client, penalty against the shortages in obligations arising out of

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

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

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

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

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

#### **10. DEREGISTERING A CLIENT**

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

- (i) If the action of the client are prima facie illegal/improper or such as to manipulate the price of any Commodities or disturb the normal/proper functioning of Commodities or disturb the normal/proper functioning of the market, either alone or in conjunction with others.
- (ii) If there is any commencement of legal process against the client under any law in force
- (iii) On the death/lunacy or other disability of the Client.

- (iv) If the Client suffers any adverse material change in his /her/its financial position or defaults in any other agreement with the Broker;
- (v) If there is reasonable apprehension that the Client is unable to pay its debts or the client has admitted its inability to pay its debts, as they become payable;
- (vi) If the Client is in breach of any term, condition or covenant of this Agreement;
- (vii) If the client has made any material misrepresentation of facts, including (without limitation) in relation to the Commodity;
- (viii) If a receiver, administrator or liquidator has been appointed or allowed to be appointed of all or any part of the undertaking of the Client;
- (ix) If the Client have taken or suffered to be taken any action for its reorganization, liquidation or dissolution;
- (x) If the client has voluntarily or compulsorily become the subject of proceedings under any bankruptcy or insolvency law or being a company, goes into liquidation or has a receiver appointed in respect of its assets or refers itself to the Board for Industrial and Financial Reconstruction or under any other law providing protection as a relied undertaking;
- (xi) If any covenant or warranty of the client is incorrect or untrue in any material respect;

#### **11. INACTIVE CLIENT ACCOUNT**

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

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

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

## RIGHTS AND OBLIGATIONS OF BENEFICIAL OWNER AND DEPOSITORY PARTICIPANT AS PRESCRIBED BY SEBI & DEPOSITORIES

### General Clause

1. The Beneficial Owner and the Depository participant (DP) shall be bound by the provisions of the Depositories Act, 1996, SEBI (Depositories and Participants) Regulations, 1996, Rules and Regulations of Securities and Exchange Board of India (SEBI), Circulars/Notifications/Guidelines issued there under, Bye Laws and Business Rules/Operating Instructions issued by the Depositories and relevant notifications of Government Authorities as may be in force from time to time.
2. The DP shall open/activate demat account of a beneficial owner in the depository system only after receipt of complete Account opening form, KYC and supporting documents as specified by SEBI from time to time. Beneficial Owner information
3. The DP shall maintain all the details of the beneficial owner(s) as mentioned in the account opening form, supporting documents submitted by them and/or any other information pertaining to the beneficial owner confidentially and shall not disclose the same to any person except as required by any statutory, legal or regulatory authority in this regard.
4. The Beneficial Owner shall immediately notify the DP in writing, if there is any change in details provided in the account opening form submitted to the DP at the time of opening the demat account or furnished to the DP from time to time. Fees/Charges/Tariff
5. The Beneficial Owner shall pay such charges to the DP for the purpose of holding and transfer of securities in dematerialized form and for availing depository services as may be agreed to from time to time between the DP and the Beneficial Owner as set out in the Tariff Sheet provided by the DP. It may be informed to the Beneficial Owner that "no charges are payable for opening of demat account.
6. In case of Basic Services Demat Accounts, the DP shall adhere to the charge structure as laid down under the relevant SEBI and/or Depository circulars/directions/notifications issued from time to time.
7. The DP shall not increase any charges/tariff agreed upon unless it has given a notice in writing of not less than thirty days to the Beneficial Owner regarding the same. Dematerialization
8. The Beneficial Owner shall have the right to get the securities, which have been admitted on the Depositories, dematerialized in the form and manner laid down under the Bye Laws, Business Rules and Operating Instructions of the depositories. Separate Accounts
9. The DP shall open separate accounts in the name of each of the beneficial owners and securities of each beneficial owner shall be segregated and shall not be mixed up with the securities of other beneficial owners and/or DP's own securities held in dematerialized form.
10. The DP shall not facilitate the Beneficial Owner to create or permit any pledge and/or hypothecation or any other interest or encumbrance over all or any of such securities submitted for dematerialization and/or held in demat account except in the form and manner prescribed in the Depositories Act, 1996, SEBI (Depositories and Participants) Regulations, 1996 and Bye-Laws/Operating Instructions/Business Rules of the Depositories.

### Transfer of Securities

11. The DP shall effect transfer to and from the demat accounts of the Beneficial Owner only on the basis of an order, instruction, direction or mandate duly authorized by the Beneficial Owner and the DP shall maintain the original documents and the audit trail of such authorizations.
12. The Beneficial Owner reserves the right to give standing instructions with regard to the crediting of securities in his demat account and the DP shall act according to such instructions. Statement of account
13. The DP shall provide statements of accounts to the beneficial owner in such form and manner and at such time as agreed with the Beneficial Owner and as specified by SEBI/depository in this regard.
14. However, if there is no transaction in the demat account, or if the balance has become Nil during the year, the DP shall send one physical statement of holding annually to such BOs and shall resume sending the transaction statement as and when there is a transaction in the account.
15. The DP may provide the services of issuing the statement of demat accounts in an electronic mode if the Beneficial Owner so desires. The DP will furnish to the Beneficial Owner the statement of demat accounts under its digital signature, as governed under the Information Technology Act, 2000. However if the DP does not have the facility of providing the statement of demat account in the electronic mode, then the Participant shall be obliged to forward the statement of demat accounts in physical form.
16. In case of Basic Services Demat Accounts, the DP shall send the transaction statements as mandated by SEBI and/or Depository from time to time. Manner of Closure of Demat account
17. The DP shall have the right to close the demat account of the Beneficial Owner, for any reasons whatsoever, provided the DP has given a notice in writing of not less than thirty days to the Beneficial Owner as well as to the Depository. Similarly, the Beneficial Owner shall have the right to close his/her demat account held with the DP provided no charges are payable by him/her to the DP. In such an event, the Beneficial Owner shall specify whether the balances in their demat account should be transferred to another demat account of the Beneficial Owner held with another DP or to rematerialize the security balances held.
18. Based on the instructions of the Beneficial Owner, the DP shall initiate the procedure for transferring such security balances or rematerialize such security balances within a period of thirty days as per procedure specified from time to time by the depository. Provided further, closure of demat account shall not affect the rights, liabilities and obligations of either the Beneficial Owner or the DP and shall continue to bind the parties to their satisfactory completion.

### Default in payment of charges

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

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

#### **Liability of the Depository**

21. As per Section 16 of Depositories Act, 1996,
1. Without prejudice to the provisions of any other law for the time being in force, any loss caused to the beneficial owner due to the negligence of the depository or the participant, the depository shall indemnify such beneficial owner.
  2. Where the loss due to the negligence of the participant under Clause (1) above, is indemnified by the depository, the depository shall have the right to recover the same from such participant.

#### **Freezing/Defreezing of accounts**

22. The Beneficial Owner may exercise the right to freeze/defreeze his/her demat account maintained with the DP in accordance with the procedure and subject to the restrictions laid down under the Bye Laws and Business Rules/Operating Instructions.
23. The DP or the Depository shall have the right to freeze/defreeze the accounts of the Beneficial Owners on receipt of instructions received from any regulator or court or any statutory authority.

#### **Redressal of Investor grievance**

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

#### **Authorized representative**

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

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

#### **Law and Jurisdiction**

26. In addition to the specific rights set out in this document, the DP and the Beneficial owner shall be entitled to exercise any other rights which the DP or the Beneficial Owner may have under the Rules, Bye Laws and Regulations of the respective Depository in which the demat account is opened and circulars/notices issued there under or Rules and Regulations of SEBI.
27. The provisions of this document shall always be subject to Government notification, any rules, regulations, guidelines and circulars/notices issued by SEBI and Rules, Regulations and Bye-laws of the relevant Depository, where the Beneficial Owner maintains his/her account, that may be in force from time to time.
28. The Beneficial Owner and the DP shall abide by the arbitration and conciliation procedure prescribed under the Bye-laws of the depository and that such procedure shall be applicable to any disputes between the DP and the Beneficial Owner.
29. Words and expressions which are used in this document but which are not defined herein shall unless the context otherwise requires, have the same meanings as assigned thereto in the Rules, Bye-laws and Regulations and circulars/notices issued there under by the depository and /or SEBI
30. Any changes in the rights and obligations which are specified by SEBI/Depositories shall also be brought to the notice of the clients at once.
31. If the rights and obligations of the parties hereto are altered by virtue of change in Rules and regulations of SEBI or Bye-laws, Rules and Regulations of the relevant Depository, where the Beneficial Owner maintains his/her account, such changes shall be deemed to have been incorporated herein in modification of the rights and obligations of the parties mentioned in this document.

## TERMS & CONDITIONS

1. Client agrees to set off outstanding in any of his/her/its accounts against credits available or arising in any other accounts maintained with Broker irrespective of the fact that such credits in the accounts may pertain to transactions in any segment of the Exchange or in any other Exchange and/or against the value of cash margin or collateral shares provided to Broker.
2. Client authorises the Broker not to provide Order Confirmation/Modification/Cancellation Slips and Trade Confirmation Slips to avoid unnecessary paper work. Client shall get the required details from contract notes issued by Broker.
3. Client authorises Broker to keep all securities which Client has given in margin including the payout securities received by Broker for meeting margin/order obligation in any of the Stock Exchanges/Clearing House/Clearing Corporation in whatever manner which may include pledging of shares in favor of bank and/or taking loan against the same or meeting margin/pay-in obligation on client's behalf or for giving the same as margin to any of the stock exchanges/ clearing house/clearing corporation or otherwise. Further, Client shall when called upon to do so forthwith from time to time provide a Margin Deposit and/or furnish additional Margin as required under the Rules and Regulations in respect of the business done by the Client and/or as agreed upon by Client with the Trading Member.
4. Client authorises broker to retain credit balance in any of his/her/its account and to use the unused funds towards his/her/its margin/future obligation at any or both the Exchanges unless the client instruct otherwise. Client also authorize broker to debit the necessary demat charges from time to time, for keeping the shares / commodities in Broker client demat beneficiary account on Client's behalf. Client also agrees to debit the charges @2% p.m., for the debit balances or delay payment charges at the rate prescribed by exchange for shortage in margin/debit balances, if any, in client's account and not settled as per the exchange requirements.
5. Client agrees and permit the stock broker to retain Securities / Commodities in their demat account for his/her/its margin/future obligations at all Exchanges, unless the client instructs the stock broker to transfer the same to his/her/its account.
6. Client agrees and permits the stock broker to consider his/her/its telephonic instructions for order placing/order modification/order cancellation as a written instruction and permit to provide all the confirmation on telephonic unless instructed otherwise in writing.
7. Client authorises the stock broker/exchange/other regulatory authority to send/dispatch contract notes/e-mail alert/other documents through e-mail on his/her/its designated e-mail address mentioned in KYC. Client shall completely rely on the log reports of dispatching software as a conclusive proof of dispatch of e-mail to the client and shall not dispute on the same.  
Non-receipt of bounced mail notification by the stock broker shall amount to delivery of the contract note at e-mail ID of the client.
8. Client shall inform the stock broker change of his/her/its email ID.
10. The client shall not sublet the trading terminal on any term of connectivity from his/her/its place to any other place without prior approval of stock broker.
11. The client agrees and permits the stock broker for inter-settlement transfer of securities towards settlement.
12. The client agrees and authorises the stock broker to with hold funds pay-out towards all the applicable margins and debits.
13. Client understands and permits to recover all fines/penalties and charges levied upon trading member due to client's acts / deeds or transaction
14. Client permits and authorises to debit the charges relevant with depository services from client's trading account. The client also agrees to maintain the adequate balance in his/her/its trading account/ pay adequate advance fee for the said reason.
15. Client permits and authories the stock broker to discontinue sending contract note/other documents/details/information on client's email ID if contract notes get bounced for more than 5 times and to start sending physical documents. The client also permits and authories to charge administrative/other charges for the same.
16. The Stock Broker may from time to time amend these terms and conditions if required, for complying with any change in Statute, Regulation or with the requirements of any competent authority without the consent of the Client. The Stock Broker may from time to time amend the terms and conditions with the intimate of the Client. The amended terms and conditions shall be intimated in advance to the Client by the Stock Broker atleast 7 days or such other period as may be prescribed by SEBI. In case the Client continues to deal with the Stock Broker subsequent to the intimations of such amendments, the Client agrees and acknowledges that it shall be deemed that the Client is agreeable to the new clauses. However, if the Client is not agreeable to such new terms and conditions, the Client has the right to terminate the relationship with the Stock Brokers as per rights & obligation prescribed by SEBI through communication in writing subject to the meeting of the financial and other obligations under these terms and conditions or any other agreement/arrangement.
17. In case any one or more of the provisions contained in the terms and conditions becomes invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereto
18. The Client confirms having read and understood these terms and conditions and those relating to various services and products and accepts and agrees to be bound by all the terms and conditions including those excluding /limiting the Stock Broker's and Exchange's liabilities
19. Trading in the Exchange is in Electronic Mode, based on VAST, leased line, ISDN, Modem and VPN, combination of technologies and computer systems to place and route orders. Client understand that there exists a possibility of communication failure or system problems or slow or delayed response from system or trading halt or any break down in our back office/front and system, or any such other problems/glitch whereby not being able to establish access to the trading system/network, which may be beyond your control and may result in delay in processing or not processing buy or sell Orders either in part or in full. Client shall be fully liable and responsible for any such problem/fault.

### **INTERNET TRADING - TERM AND CONDITIONS**

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

#### **I. DEFINITIONS:**

1. In these terms and conditions (including the recitals above), unless the context otherwise requires the following words shall have the following meanings:
  - (I) "Exchange Provisions" means the Rules, Byelaws, Regulations, Business Requirements, specification, handbooks, notices, circulars and resolutions of the exchange or any segments of the
  - (II) Exchange in force from time to time. "Internet Trading" means Internet based Trading through Order Routing system, being a system approved by the Exchange for enabling clients to route their order to Stock Broker over the internet.
  - (III) "Internet Trading Account Application" means the Client Registration form along with the other supporting documents submitted by the Clients to the Stock Broker to permit the Client to avail of the Stock Broker's Internet Trading Service.
  - (IV) "Internet Trading Service" or "Service" means the service offered by the Stock Broker to its clients through Internet Trading where under the clients can route their orders for purchase, sale and other dealings in Securities/Commodities though the Stock Broker's Internet Trading System.
  - (V) "Password" means and alphanumeric code used by the Client to validate his/her username and access the Service.
  - (VI) "Stock Broker's on the Internet Trading Website" means the web site hosted by the Stock Broker on the internet through which the Stock Broker offers the Internet Trading Service and includes the hardware and software used for hosting and supporting the Website or any other system through which Stock Broker offers the Internet Trading Service.
  - (VII) "Username" means an alphanumeric login identification used by the Client for accessing the Service.

## 2. INTERNET TRADING SERVICE:

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

## 3. USER NAME AND PASSWORD

- 3.1 The Client will be entitled to a username and password, which will enable him to access the Stock Broker 's Internet Trading Website for availing of the Internet Trading Service.
- 3.2 The Client is aware that the Stock Broker 's Internet Trading Website itself generates the initial password encrypts and passes on the password to the client. The Client agrees and undertakes to immediately change his initial password upon receipt thereof and subsequently to change his password with the period stipulated by the Stock Broker. The Client is aware that subsequent passwords are not known or available to the Stock Broker
- 3.3 The Client shall be responsible for keeping the username and password confidential and secure and shall be solely responsible for all orders entered and transactions done by any person whosoever through the Stock Broker's Internet Trading Website using the Client's Username and/or password whether or not such person was authorized to do so.
- 3.4 The Client shall immediately inform the Stock Broker of any unauthorized use of the Client's Username or Password with full details or such unauthorized use including the date of such unauthorized use, the manner in which it was unauthorized used, the transactions effected pursuant to such unauthorized use etc.
- 3.5 The Client acknowledges that he is fully aware of and understands the risks associated with availing of a service for routing orders over the internet including the risk of misuse and unauthorized use of his username and/or password by a third party and the risk of a person hacking into the Client's account on the Stock Broker's Internet Trading Website and unauthorized routing orders on behalf of the Client through the System. The Client shall be fully liable and responsible for any and all unauthorized use and misuse of his password and/or username and also for any and all acts done by any person through Stock Broker's Internet Trading Website on the Client's username in any manner whatsoever. The Client undertakes to ensure that the password of the Client and/or his authorized representative are not revealed to any third party including employee/representative of the member.
- 3.6 The Client shall log off from the Stock Broker Internet Trading Website at any time the Client is not accessing or using the Internet Trading service and any liability incurred to the Client as a consequence of the Client not logging off the service shall borne solely by the Client.
- 3.7 Without prejudice to the provisions of Clause 3.5, the Client shall immediately notify the Stock Broker in writing with full details if:
  - (i) He discovers or suspects unauthorized access through his User name, Password or account.
  - (ii) He notices discrepancies that might be attributable to unauthorised access.
  - (iii) He forgets his password or
  - (iv) He discovers a security flaw in the Stock Broker's Internet Trading Website.

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

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

**Caution:** Trading in the capital/derivatives/currency segments using Technical

Charts or Short Term Indicators involves high risk and requires skill, experience and knowledge of the capital/derivatives/currency segments.

Certain transactions including those involving Futures, options & other derivatives as well as other non-investment grade securities contain substantial risk and are not suitable for all investors. STOP LOSS ORDERS help limit loss but even placing contingent orders, such as "stop-loss" or "stop-limit" orders will not necessarily limit your losses to the intended amounts, and it is important that only a small portion of your corpus is allocated to such trading. Leverage can lead to large losses as well as gains. You may sustain a total loss of the initial margin funds and any additional funds that you deposit with us to establish or maintain a position, and you may incur losses beyond your initial investment.

## **TERMS AND CONDITIONS (TFR)**

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

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

1. Clients have read and understood in full the terms and conditions contained in the member client agreement and risk disclosure documents provided therein. Clients are also to read and understand the important disclosures and disclaimers forming part of each report.
2. TFR reports are of general information for clients of GCML. They do not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of the individual clients.
3. No information published in TFR Reports constitute a solicitation or offer, or any kind of recommendation, to buy or sell any Investment instruments, to effect any transactions, or to conclude any legal act of any kind whatsoever and the risk of loss on the basis of information published in TFR reports can be substantial. Clients should, therefore, carefully consider whether such trading is suitable for them in light of their circumstances and financial resources.
4. The information published and opinions expressed are provided by GCML for personal use and for informational purposes only and are subject to change without notice, GCML makes no representation (either express or implied) that the information and opinions expressed in TFR Reports will be accurate, complete or up to date. The stated price of any securities mentioned in TFR Reports will be as of the date indicated and is not a representation that any transaction can be effected at this price. Neither GCML nor other persons shall be liable for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including lost profits arising in any way from the information contained in TFR Reports.
5. GCML will exercise due diligence in checking the correctness and authenticity of the information contained in TFR Reports, but GCML or any of its affiliates or directors or officers or employees shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in TFR Reports or any action taken on basis of TFR Reports. Price and value of the securities forming part of TFR Reports may go up or down. Past performance is not a guide for future performance.
6. GCML may use brand names for all or any of TFR reports. Such names would represent the brand and not the nature or feature of TFR reports.
7. TFR reports will include commentary on derivatives trading, technical, fundamental analysis and limited review of Stocks and may not be based on comprehensive or fundamental of the stocks.
8. GCML has two independent equity research groups: Institutional Equities Research Group and Private Client Group. The Private Group is responsible for the preparation of TFR Reports. A designated team from the Private Research Group also prepares reports based on fundamental evaluation of companies. The views and opinions expressed in TFR Reports may or may not match or may be contrary with the views, estimates, rating, target price, of reports of the Institutional Research Group and Private Client Group dealing in fundamental research. Further, there may be a contrary view within the TFR Reports with regard to estimates, rating, target price as evaluation are based on different criteria.
9. The contents of the TFR Reports cannot be copied, reproduce, republished, uploaded, posted, transmitted or distributed for any non-personal use without obtaining prior permission from GCML.
10. The proprietary trading and investment businesses of the Globe Group may

make investment decisions that are inconsistent with the views expressed in the TFR reports.

11. GCML and its affiliates, officers, directors, and employees world-wide may:
  - (a) from time to time, have long or short positions in, and buy or sell the stocks mentioned in the TFR Reports or
  - (b) Be engaged in any other transaction involving such securities and earn brokerage or other compensation or have other potential conflict of interest with respect to any view and related information and opinions mentioned in TFR Reports,
12. GCML reserves the option to provide all or any of the TFR reports and the right to suspend or vary the whole or any part of the same for any reason, at any time at its sole discretion.
13. Clients who enroll for SMS/e-mail/Fax delivery of brief extract of TFR reports are required to read the full reports.
14. GCML does not guarantee completeness, error, delay, interruption or timeliness or delivery in whole or in part of any of the TFR reports or their extracts. The same is provided on an "as-is" and "as-available" basis.
15. Investors should not solely rely on the information contained in these TFR reports and must make investment decisions based on their own investment objectives, risk appetite, investment horizon, financial strength or other parameters. The client should take their own professional advice or consult SEBI registered Investment Adviser for these specific investment related advice/requirements and/or before acting on this information.

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

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

1. Prevention of Money Laundering Act, 2002 (PMLA) is enacted to prevent the financing of terrorism and to prevent laundering of money i.e. to prevent legalizing or officializing or canalizing the money generated from illegal activities like drug trafficking, organized crimes, hawala rackets and other serious crimes etc.
2. PMLA is a part of the Global measures being taken by all the countries under the initiatives of United Nations.
3. It is an obligation of individual/entities to whom PMLA is applicable, to report certain kind of transactions routed through them to Financial Intelligence Unit (FIU), a department specially set up to administer PMLA under the Ministry of Finance.
4. PMLA is, inter-alia, applicable to various intermediaries which includes stock brokers, commodity brokers, sub-brokers, authorised person and depository participant etc.
5. As per PMLA the following type of transaction are to be reported to FIU:-
  - (A) All cash transactions of the value of more than ` .10 Lacs or its equivalent in foreign currency.
  - (B) All series of cash transactions integrally connected to each other which have been valued below ` .10 Lacs or its equivalent in foreign currency where such series of transactions takes place within one calendar month.
  - (C) All suspicious transactions whether or not made in cash and including, inter-alia, credits or debits into any non monetary accounts such as demat account.
6. Any such above transaction(s), though not executed but attempted and failed are also required to be reported
7. The suspicious transaction(s) can be related to the transaction(s) under the circumstances such as:-
  - (A) Client(s) whose identity verification seems difficult or client(s) that appear not to co-operate;
  - (B) Asset management services for client(s) where the source of the funds is not clear or not in keeping with client(s) apparent standing /business activity;
  - (C) Client(s) based in high risk jurisdictions;
  - (D) Substantial increases in business without apparent cause;
  - (E) Client(s) transferring large sum of money to or from overseas locations with instructions for payment in cash;
  - (F) Attempted transfer of investment proceeds to apparently unrelated

third parties;

- (G) Businesses undertaken by offshore banks/financial services;
  - (H) Businesses reported to be in the nature of export/import of small items;
  - (I) Unusual transactions by Clients of Special Categories (CSCs).
8. Clients of Special Categories includes:-
    - (A) Non-resident client;
    - (B) High net-worth client (having annual income + networth of more than Rs. 1 Crore);
    - (C) Trust, Charities NGOs and organizations receiving donations;
    - (D) Company having close family shareholdings or beneficial ownership;
    - (E) Civil Servant or family member or close relative of civil servant;
    - (F) Bureaucrat or family member or close relative of bureaucrat;
    - (G) Current or Former MP or MLA or MLC or their family member or close relative;
    - (H) Politician or their family member or close relative;
    - (I) Current or Former Head of State or of Governments or their family member or close relative;
    - (J) Senior government/judicial/military officers or their family member or close relative;
    - (K) Senior executives of state-owned corporations or their family member or close relative;
    - (L) Companies offering foreign exchange offerings;
  9. While opening the new account all the prescribed procedures of KYC and Client Identifications should strictly be followed in the context of ensuring the compliance under PMLA.
  10. All the record of transaction(s) and client identifications must be preserved in a manner which can be retrieved promptly and reported to the authorities in the specified format as and when required.
  11. The Clients are advised to be fully conversant with the provisions of PMLA and any amendments thereto from time to time and to co-operate with intermediaries by providing the additional information(s)/document(s), if asked for, to ensure the compliance requirements under PMLA.
  12. The Client are advised to provide certain information which may be of personal nature or has hitherto never been called for such information can include documents evidencing source of funds/income taxreturns/bank records etc. You are advised to co-operate with us whenever such information is sought for from PMLA perspective.
  13. The Clients are advised to be vigilant and to refrain from temptation of easy monetary gains, by knowingly or unknowingly supporting the people who are involved in the activities which are endangering freedom and causing damage to the nation. The Clients are supposed to provide their active co-operation in the due compliance of the law.
  14. Please visit the website of Financial Intelligence Unit ([www.fiuindia.gov.in](http://www.fiuindia.gov.in)) and Securities and Exchange Board of India ([www.sebi.gov.in](http://www.sebi.gov.in)) for any further information on the subject.

### **Pro Disclosure**

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

This is to inform you that we do client based trading and Pro-account Trading in National Stock Exchange of India Ltd (NSE)/Bombay Stock Exchange of India Ltd.(BSE) / Metropolitan Stock Exchange of India Limited (MSEI) and The Multi Commodity Exchange of India Limited (MCX), National Commodity and Derivatives Exchange (NCDEX), Indian Commodity Exchange Ltd (ICEX)

### **Email Mobile Declaration**

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

## FATCA & CRS TERMS AND CONDITIONS - FOR INDIVIDUAL

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

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

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

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

FATCA/ CRS Indicia observed (ticked)	Documentation required for Cure of FATCA/ CRS indicia
U.S. place of birth	<ol style="list-style-type: none"> <li>1. Self-certification that the account holder is neither a citizen of United States of America nor a resident for tax purposes;</li> <li>2. Non-US passport or any non-US government issued document evidencing nationality or citizenship (refer list below); AND</li> <li>3. Any one of the following documents:               <ol style="list-style-type: none"> <li>a. Certified Copy of "Certificate of Loss of Nationality or</li> <li>b. Reasonable explanation of why the customer does not have such a certificate despite renouncing US citizenship; or</li> </ol>               Reason the customer did not obtain U.S. citizenship at birth             </li> </ol>
Residence/ mailing address in a country other than India	<ol style="list-style-type: none"> <li>1. Self-certification that the account holder is neither a citizen of United States of America nor a tax resident of any country other than India; and</li> <li>2. Documentary evidence (refer list below)</li> </ol>
Telephone number in a country other than India	<p><b>If no Indian telephone number is provided</b></p> <ol style="list-style-type: none"> <li>1. Self-certification that the account holder is neither a citizen of United States of America nor a tax resident of any country other than India; and</li> <li>2. Documentary evidence (refer list below)</li> </ol> <p><b>If Indian telephone number is provided along with a foreign country telephone number</b></p> <ol style="list-style-type: none"> <li>1. Self-certification (in attached format) that the account holder is neither a citizen of United States of America nor a tax resident for tax purposes of any country other than India; OR</li> <li>2. Documentary evidence (refer list below)</li> </ol>
Standing instructions to transfer funds to an account maintained in a country other than India (other than depository accounts)	<ol style="list-style-type: none"> <li>1. Self-certification that the account holder is neither a citizen of United States of America nor a tax resident of any country other than India; and</li> <li>2. Documentary evidence (refer list below)</li> </ol>

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

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

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

## FATCA & CRS TERMS AND CONDITIONS - FOR NON-INDIVIDUAL

### I. Financial Institution (FI)

The term FI means any financial institution that is a Depository Institution, Custodial Institution, Investment Entity or Specified Insurance company, as defined.

- Depository institution: is an entity that accepts deposits in the ordinary course of banking or similar business.
- Custodial institution: is an entity that holds as a substantial portion of its business, holds financial assets for the account of others and where its income attributable to holding financial assets and related financial services equals or exceeds 20 percent of the entity's gross income during the shorter of-
  - (i) The three financial years preceding the year in which determination is made; or
  - (ii) The period during which the entity has been in existence, whichever is less.
- Investment entity is any entity:
  - ✓ That primarily conducts a business or operates for or on behalf of a customer for any of the following activities or operations for or on behalf of a customer
    - (I) Trading in money market instruments (cheques, bills, certificates of deposit, derivatives, etc.); foreign exchange; exchange, interest rate and index instruments; transferable securities; or commodity futures trading; or
    - (ii) Individual and collective portfolio management; or
    - (iii) Investing, administering or managing funds, money or financial asset or money on behalf of other persons;
  - or
  - ✓ The gross income of which is primarily attributable to investing, reinvesting, or trading in financial assets, if the entity is managed by another entity that is a depository institution, a custodial institution, a specified insurance company, or an investment entity described above.  
 An entity is treated as primarily conducting as a business one or more of the 3 activities described above, or an entity's gross income is primarily attributable to investing, reinvesting, or trading in financial assets of the entity's gross income attributable to the relevant activities equals or exceeds 50 percent of the entity's gross income during the shorter of:
    - (i) The three-year period ending on 31 March of the year preceding the year in which the determination is made; or
    - (ii) The period during which the entity has been in existence.
 The term "Investment Entity" does not include an entity that is an active non-financial entity as per codes 03, 04, 05 and 06 (refer point 2c.)
- Specified Insurance Company: Entity that is an insurance company (or the holding company of an insurance company) that issues, or is obligated to make payments with respect to, a Cash Value Insurance Contract or an Annuity Contract.

• FI not required to apply for GIIN:	
A. Reasons why FI not required to apply for GIIN:	
Code	Sub-category
01	Governmental Entity, International Organization or Central Bank
02	Treaty Qualified Retirement Fund; a Broad Participation Retirement Fund; a Narrow Participation Retirement Fund; or a Pension Fund of a Governmental Entity, International Organization or Central Bank
03	Non-public fund of the armed forces, an employees' state insurance fund, a gratuity fund or a provident fund
04	Entity is an Indian FI solely because it is an investment entity
05	Qualified credit card issuer
06	Investment Advisors, Investment Managers & Executing Brokers
07	Exempt collective investment vehicle
08	Trustee of an Indian Trust
09	FI with a local client base
10	Non-registering local banks
11	FFI with only Low-Value Accounts
12	Sponsored investment entity and controlled foreign corporation
13	Sponsored, Closely Held Investment Vehicle
14	Owner Documented FFI

## 2. Non-financial entity (NFE) - Entity that is not a financial institution

Types of NFEs that are regarded as excluded NFE are:

a. Publicly traded company (listed company)

A company is publicly traded if its stock are regularly traded on one or more established securities markets

(Established securities market means an exchange that is officially recognized and supervised by a governmental authority in which the securities market is located and that has a meaningful annual value of shares traded on the exchange)

b. Related entity of a publicly traded company

The NFE is a related entity of an entity of which is regularly traded on an established securities market;

c. Active NFE : (is any one of the following):

Code	Sub-category
01	Less than 50 percent of the NFE's gross income for the preceding financial year is passive income and less than 50 percent of the assets held by the NFE during the preceding financial year are assets that produce or are held for the production of passive income;
02	The NFE is a Governmental Entity, an International Organization, a Central Bank, or an entity wholly owned by one or more of the foregoing;
03	Substantially all of the activities of the NFE consist of holding (in whole or in part) the outstanding stock of, or providing financing and services to, one or more subsidiaries that engage in trades or businesses other than the business of a Financial Institution, except that an entity shall not qualify for this status if the entity functions as an investment fund, such as a private equity fund, venture capital fund, leveraged buyout fund, or any investment vehicle whose purpose is to acquire or fund companies and then hold interests in those companies as capital assets for investment purposes;
04	The NFE is not yet operating a business and has no prior operating history, but is investing capital into assets with the intent to operate a business other than that of a Financial Institution, provided that the NFE shall not qualify for this exception after the date that is 24 months after the date of the initial organization of the NFE;
05	The NFE was not a Financial Institution in the past five years, and is in the process of liquidating its assets or is reorganizing with the intent to continue or recommence operations in a business other than that of a Financial Institution;
06	The NFE primarily engages in financing and hedging transactions with, or for, Related Entities that are not Financial Institutions, and does not provide financing or hedging services to any Entity that is not a Related Entity, provided that the group of any such Related Entities is primarily engaged in a business other than that of a Financial Institution;
07	<p>Any NFE that fulfills all of the following requirements:</p> <ul style="list-style-type: none"> <li>• It is established and operated in India exclusively for religious, charitable, scientific, artistic, cultural, athletic, or educational purposes; or it is established and operated in India and it is a professional organization, business league, chamber of commerce, labor organization, agricultural or horticultural organization, civic league or an organization operated exclusively for the promotion of social welfare;</li> <li>• It is exempt from income tax in India;</li> <li>• It has no shareholders or members who have a proprietary or beneficial interest in its income or assets;</li> </ul> <p>The applicable laws of the NFE's country or territory of residence or the NFE's formation documents do not permit any income or assets of the NFE to be distributed to, or applied for the benefit of, a private person or non-charitable Entity other than pursuant to the conduct of the NFE's charitable activities, or as payment of reasonable compensation for services rendered, or as payment representing the fair market value of property which the NFE has purchased; and The applicable laws of the NFE's country or territory of residence or the NFE's formation documents require that, upon the NFE's liquidation or dissolution, all of its assets be distributed to a governmental entity or other non-profit organization, or escheat to the government of the NFE's country or territory of residence or any political subdivision thereof.</p> <p>Explanation.- For the purpose of this sub-clause, the following shall be treated as fulfilling the criteria provided in the said sub-clause, namely:-</p> <p>(I) an Investor Protection Fund referred to in clause (23EA);</p> <p>(II) a Credit Guarantee Fund Trust for Small Industries referred to in clause 23EB; and</p> <p>(III) an Investor Protection Fund referred to in clause (23EC),</p> <p>of section 10 of the Act;</p>

## 3. Other definitions

(i) Related entity

An entity is a 'related entity' of another entity if either entity controls the other entity, or the two entities are under common control For this purpose, control includes direct or indirect ownership of more than 50% of the votes and value in an entity.

(ii) Passive NFE

The term passive NFE means

(1) any non-financial entity which is not an active non-financial entity including a publicly traded corporation or related entity of a publicly traded company;

or

(2) an investment entity defined in clause (1) of these instructions

(3) a withholding foreign partnership or withholding foreign trust;

(Note: Foreign persons having controlling interest in a passive NFE are liable to be reported for tax information compliance purposes)

(iii) Passive income

The term passive income includes income by way of:

- (1) Dividends,
- (2) Interest
- (3) Income equivalent to interest,
- (4) Rents and royalties, other than rents and royalties derived in the active conduct of a business conducted, at least in part, by employees of the NFE
- (5) Annuities
- (6) The excess of gains over losses from the sale or exchange of financial assets that gives rise to passive income
- (7) The excess of gains over losses from transactions (including futures, forwards, options and similar transactions) in any financial assets,
- (8) The excess of foreign currency gains over foreign currency losses
- (9) Net income from swaps
- (10) Amounts received under cash value insurance contracts

But passive income will not include, in case of a non-financial entity that regularly acts as a dealer in financial assets, any income from any transaction entered into in the ordinary course of such dealer's business as such a dealer.

(iv) Controlling persons

Controlling persons are natural persons who exercise control over an entity and includes a beneficial owner under sub-rule (3) of rule 9 of the Prevention of Money-Laundering (Maintenance of Records) Rules, 2005. In the case of a trust, the controlling person means the settlor, the trustees, the protector (if any), the beneficiaries or class of beneficiaries, and any other natural person exercising ultimate effective control over the trust. In the case of a legal arrangement other than a trust, controlling person means persons in equivalent or similar positions.

Pursuant to guidelines on identification of Beneficial Ownership issued vide SEBI circular no. CIR/MIRSD/2/2013 dated January 24, 2013, persons (other than Individuals) are required to provide details of Beneficial Owner(s) ('BO'). Accordingly, the Beneficial Owner means 'Natural Person', who, whether acting alone or together, or through one or more juridical person, exercises control through ownership or who ultimately has a controlling ownership interest of / entitlements to:

- (1) More than 25% of shares or capital or profits of the juridical person, where the juridical person is a company;
- (2) More than 15% of the capital or profits of the juridical person, where the juridical person is a partnership; or
- (3) More than 15% of the property or capital or profits of the juridical person, where the juridical person is an unincorporated association or body of individuals.

Where the client is a trust, the financial institutions shall identify the beneficial owners of the client and take reasonable measures to verify the identity of such persons, through the identity of the settler of the trust, the trustee, the protector, the beneficiaries with 15% or more interest in the trust and any other natural person exercising ultimate effective control over the trust through a chain of control or ownership.

Where no natural person is identified the identity of the relevant natural person who holds the position of senior managing official.

(A) Controlling Person Type:

Code	Sub-category
01	CP of legal person-ownership
02	CP of legal person-other means
03	CP of legal person-senior managing official
04	CP of legal arrangement-trust-settlor
05	CP of legal arrangement-trust-trustee
06	CP of legal arrangement-trust-protector
07	CP of legal arrangement-trust-beneficiary
08	CP of legal arrangement-trust-other
09	CP of legal arrangement-Other-settlor equivalent
10	CP of legal arrangement-Other-trustee equivalent
11	CP of legal arrangement-Other-protector equivalent
12	CP of legal arrangement-Other-beneficiary equivalent
13	CP of legal arrangement-Other-other equivalent

- (v) Specified U.S. person — A U.S. person other than the following:
- (1) a corporation the stock of which is regularly traded on one or more established securities markets;
  - (2) any corporation that is a member of the same expanded affiliated group, as defined in section 1471(e)(2) of the U.S. Internal Revenue Code, as a corporation described in clause (i);
  - (3) the United States or any wholly owned agency or instrumentality thereof;
  - (4) any State of the United States, any U.S. Territory, any political subdivision of any of the foregoing, or any wholly owned agency or instrumentality of any one or more of the foregoing;
  - (5) any organization exempt from taxation under section 501(a) of the U.S. Internal Revenue Code or an individual retirement plan as defined in section 7701(a)(37) of the U.S. Internal Revenue Code;
  - (6) any bank as defined in section 581 of the U.S. Internal Revenue Code;
  - (7) any real estate investment trust as defined in section 856 of the U.S. Internal Revenue Code;
  - (8) any regulated investment company as defined in section 851 of the U.S. Internal Revenue Code or any entity registered with the U.S. Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. 80a-64);
  - (9) any common trust fund as defined in section 584(a) of the U.S. Internal Revenue Code;
  - (10) any trust that is exempt from tax under section 664(c) of the U.S. Internal Revenue Code or that is described in section 4947(a)(1) of the U.S. Internal Revenue Code;
  - (11) a dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any State;
  - (12) a broker as defined in section 6045(c) of the U.S. Internal Revenue Code; or
  - (13) any tax-exempt trust under a plan that is described in section 403(b) or section 457(g) of the U.S. Internal Revenue Code.

(vi) Owner documented FFI

An FFI meets the following requirements:

- (a) The FFI is an FFI solely because it is an investment entity;
- (b) The FFI is not owned by or related to any FFI that is a depository institution, custodial institution, or specified insurance company;
- (c) The FFI does not maintain a financial account for any non participating FFI;
- (d) The FFI provides the designated withholding agent with all of the documentation and agrees to notify the withholding agent if there is a change in circumstances; and
- (e) The designated withholding agent agrees to report to the IRS (or, in the case of a reporting Model I IGA, to the relevant foreign government or agency thereof) all of the information described in or (as appropriate) with respect to any specified U.S. persons and (2). Notwithstanding the previous sentence, the designated withholding agent is not required to report information with respect to an indirect owner of the FFI that holds its interest through a participating FFI, a deemed-compliant FFI (other than an owner-documented FFI), an entity that is a U.S. person, an exempt beneficial owner, or an excepted NFE.

(vii) Direct reporting NFE

A direct reporting NFE means a NFE that elects to report information about its direct or indirect substantial U.S. owners to the IRS

(viii) Exemption code for U.S. persons

Code	Sub-category
A	An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)
B	The United States or any of its agencies or instrumentalities
C	A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities
D	A corporation the stock of which is regularly traded on one or more established securities markets, as described in Reg. section 1.1472-1(c)(1)(i)
E	A corporation that is a member of the same expanded affiliated group as a corporation described in Reg. section 1.1472-1(c)(1)(i)
F	A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state
G	A real estate investment trust
H	A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940
I	A common trust fund as defined in section 584(a)
J	A bank as defined in section 581
K	A broker
L	A trust exempt from tax under section 664 or described in section 4947(a)(1)
M	A tax exempt trust under a section 403(b) plan or section 457(g) plan

# FORMATS

## AUTHORITY LETTER IN FAVOUR OF MANAGING PARTNER / (S)

(To be obtained on pre-printed Letterhead of firm)  
(This Letter is to be obtained only if the client is a partnership firm)

To  
**GLOBE CAPITAL MARKET LTD.**  
609, Ansal Bhawan, 16 K.G, Marg,  
Connaught Place, New Delhi-110001

Sir,

We the partners of M/s. \_\_\_\_\_  
a partnership firm having its office at \_\_\_\_\_

\_\_\_\_\_ hereby authorize  
jointly or severally Mr./Ms. \_\_\_\_\_

\_\_\_\_\_ and Mr./Ms. \_\_\_\_\_

\_\_\_\_\_ to open a securities trading account in Capital Market  
segment, F&O segment, Currency segment & Commodity segment on behalf of the firm M/s./ Mr. / Ms. \_\_\_\_\_

\_\_\_\_\_ with the Trading Member  
GLOBE CAPITAL MARKET LIMITED for sale and purchase of shares/derivative instruments in Capital Market segment  
(CM) and or Future and Options segment (F&O) and/or Currency, Commodity segment or any other segment that may  
be introduced by NSE/BSE/MSEI/MCX/NCDEX/ICEX and a registered Intermediary of Association of Mutual Fund in  
India (AMFI) in future. He/She/They is/are authorized on behalf of the firm for the purpose of dealing/investing in securities  
market including units of mutual funds, future & option and currency derivative & commodity derivative etc. and the said  
Trading Member is hereby authorized to honor all instructions oral or written, given on behalf of the firm by him/her/them.

### List of Authorised Signatories with specimen signature.

SNo.	Name	Designation	Specimen Signature
1.	_____	_____	_____
2.	_____	_____	_____

is/are authorized to sell, purchase, transfer, endorse, and negotiate documents and/or/otherwise deal through GLOBE  
CAPITAL MARKET LIMITED on behalf of the firm M/s. \_\_\_\_\_

He/She/They is/are also authorised to sign, execute and submit such applications, undertakings, agreements and other  
requisite documents as may be necessary for KYC application with KRA. Writings and deeds as may be deemed necessary  
or expedient to open account and give effect to this purpose.

However any partner/authorized signatory (ies) can issue cheques from bank account(s) in favour of GLOBE CAPITAL  
MARKET LIMITED for credit to share trading account of the firm with GLOBE CAPITAL MARKET LIMITED, even though  
his/their signatures may not be available on the records of GLOBE CAPITAL MARKET LIMITED. These cheques may  
either be from the account of partnership firm or from individual account the said amount so given shall be  
solely/exclusively for the account of the firm maintained with Globe Capital Market Limited.

We also recognize that a beneficiary account cannot be opened with a Depository Participant in the name of the  
partnership firm as per Depository regulations. To facilitate the operation of the above trading account with you and for  
the purpose of completing the securities transfer obligations, pursuant to the trading operations, we authorize you to  
recognize the beneficiary account No. \_\_\_\_\_ with Depositor having DP ID and CP ID \_\_\_\_\_  
opened as a singly/jointly in the name of Managing partner/partners of the firm.

We agree that the obligations for shares purchased and /or sold by the firm will be handled and completed through  
transfers to/from the above-mentioned account. We recognize and accept transfers made by you to the beneficiary  
account as complete discharge of obligations by you in respect of trades executed in the above trading account of the firm.

Thank You.

Yours Truly

Page No. : 24

Name : \_\_\_\_\_

Date : \_\_\_\_\_

**FOR TRADING ACCOUNT OPENING  
FORMAT OF BOARD RESOLUTION IN CASE OF CORPORATES / TRUSTS / LLP**

(To be obtained on pre-printed Letterhead of company)  
(This Letter is to be obtained only if the client is a body corporate)

Certified True Copy of the Resolution passed at the meeting of the Board of Directors of \_\_\_\_\_  
\_\_\_\_\_ Ltd. and having its registered office at \_\_\_\_\_

\_\_\_\_\_ held on \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_ at \_\_\_\_\_ AM/PM

Resolved that the Company/Trust/LLP be registered as CLIENT with Globe Capital Market Limited, member of Bombay Stock Exchange Ltd. (BSE), National Stock Exchange of India Ltd. (NSE) and Metropolitan Stock Exchange Ltd. (MSEI), The Multi Commodity Exchange of India Limited (MCX), National Commodity and Derivatives Exchange (NCDEX), Indian Commodity Exchange Ltd (ICEX) and a registered Intermediary of Association of Mutual Fund in India (AMFI) for the purpose of dealing/investing in securities /commodities market including units of mutual funds, equity future & option, currency, commodity & other derivative etc. and the said Member (GLOBE) be and is hereby authorised to honor all instructions whether oral or written, given on behalf of the Company by any of the under noted authorised signatories:

**List of Authorised Signatories with specimen signature.**

S.No.	Name	Designation	Specimen Signature
1.	_____	_____	_____
2.	_____	_____	_____

who are authorised to sell, purchase, transfer, endorse, negotiate and/or otherwise deal through Globe Capital Market Limited on the behalf of the Company and to sign, execute & submit application & other requisite documents as may be necessary for KYC application with KRA.

RESOLVED FURTHER THAT Mr. \_\_\_\_\_ and/or Mr. \_\_\_\_\_  
\_\_\_\_\_ Directors/Trustees/Partners of the Company be and are hereby deemed necessary or expedient to give effect to this resolution.

RESOLVED FURTHER THAT, the Common Seal of the Company be affixed, whenever necessary, in the presence of all Directors or of any one director and Company Secretary, who shall sign the same in token of their presence

For \_\_\_\_\_ Ltd.

\_\_\_\_\_  
Chairman / Company Secretary / All Trustees / Partners

(The above signatures to be attested by the person signing the resolution for account opening on behalf of the Company/Trust/LLP).

**FOR DEPOSITORY ACCOUNT OPENING  
FORMAT OF BOARD RESOLUTION IN CASE OF CORPORATES / TRUSTS**

**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF  
DIRECTORS OF \_\_\_\_\_ AT THEIR MEETING ON \_\_\_\_\_  
AT THEIR REGD. OFFICE \_\_\_\_\_**

- Resolved that a Corporate Beneficiary/Clearing Member Account be opened for depository purpose with **Globe Capital Market Ltd.**, 804, Ansal Bhawan, 16 K.G. Marg, Connaught Place, New Delhi-110001.
- Further Resolved that **Mr.** \_\_\_\_\_ **DIRECTORS** of the company whose specimen signatures are attested below be jointly / severally authorised to sign on behalf of the company all documents and forms relating to such account (in relation to debit or credit or otherwise) in such forms as may be required by the **Globe Capital Market Ltd.** and further any instructions, indemnities and counter indemnities which may be required by **Globe Capital Market Ltd.**, from the company in connection with the above mentioned account.
- That this resolution be communicated to the Globe Capital Market Ltd. and remain in force until notice in writing is given to the Globe Capital Market Ltd.

For \_\_\_\_\_

**Director**

**Specimen Signature of**

**Mr.** \_\_\_\_\_

**Mr.** \_\_\_\_\_

**Attested by**

**Director**

**NOTE : This is required to be submitted on the Company's Letterhead.**

**BANK VERIFICATION LETTER**

To,  
**GLOBE CAPITAL MARKET LIMITED (GCML)**  
609, Ansal Bhawan, 16, K.G. Marg, Connaught Place, New Delhi-110001

Dated ..... / ..... / .....

**Sub: Mapping of bank account in trading code of Proprietor**

Dear Sir,

We are maintaining a bank account number ..... with .....  
bank. Request you to map this bank account in trading account of proprietor Mr./Ms. ....  
for all fund pay-in and pay-out purposes. PAN number of proprietor is .....

Signature of proprietor is being attested by bank here/ separate bank verification letter attached

For

**(Name and Sign of Authorised Signatory)**

**Trading code:-**

<b><u>For verification by Bank officials:-</u></b>	
<b>Signature of Proprietor :-</b>	<div style="border: 1px solid black; height: 80px; width: 100%;"></div>
Above Signatures are correct as per our records and Ms./Mr. _____ is proprietor of M/s. _____	
<b>Signature and stamp by Banker</b>	<div style="border: 1px solid black; height: 80px; width: 100%;"></div>

**NRI DECLARATION**

I hereby declare that I am a Non Resident Indian (NRI)/Person of Indian Origin (PIO).

I understand that the my account will be open on the basis of statement/declaration made by me and I agree to compensate you for any loss incurred by **M/s Globe Capital Market Limited** (herein after referred as **M/s GCML**) due to any incorrect statement(s)/declaration(s) made herein.

I hereby, indemnify and hold **M/s GCML** harmless from any or/and all claims and state that the M/s GCML shall not be liable for any loss, actual or perceived, caused directly or indirectly by equipment failure, communication line failure, system failure, internet failure, securities failure on internet, unauthorized access or any other problem, technical or otherwise.

I declare that I shall necessarily take delivery of the shares purchased and give delivery of the shares sold. I declare that I shall not indulge in intra-day purchase or sale of shares or vice versa. I also understand that NRIs are not permitted to indulge in short selling of shares.

I hereby declare that at any point of time I shall NOT remain invested in shares of listed Indian companies, both on repatriation and non-repatriation basis under PIS route over and above certain percentage which is prescribed by **RBI/SEBI** from time to time of the paid up capital / paid up value of each series of debentures of listed Indian companies. Further, I declare that I will never trade/deal in the shares which are specific banned by RBI/SEBI for trading for NRI.

I do hereby declare that shares purchased by me on the stock exchange under PIS shall not be transferred by way of sale under private arrangement or by way of gift to a person resident in India or outside India without prior approval of RBI.

I confirm that I have not been approached by M/s GCML or anybody on its behalf and I have not been /will not be approached for solicitation or any investment or advice for investment in any company in India. All investment decisions are /shall be my/our own, based on independent information, research and knowledge gathered from published materials and internet sites available anywhere in the world and other sources.

I understand that the Capital Gains Tax shall be calculated on a First in First out (FIFO) basis on account of sale of the respective shares. I declare that I shall pay capital gains tax on rates as notified by the Income Tax Department, Government of India, from time to time on any capital gains arising out of secondary market transactions and submit Chartered Accountant's Certificate to that effect to M/s GCML whenever called for. I also understand and hereby agree that in case of noncompliance to the extent tax laws in India, I shall be solely liable and responsible for any proceedings issued by the Income Tax Department in this regard and shall adequately compensate M/s GCML for any financial loss or loss of reputation, or any other loss on account of non-compliance of regulatory and reporting requirements due to false/misleading information given by me or suppression of any material fact, both intentional or unintentional on my part.

I also hereby agree that I shall solely be liable for any non-compliance of the SEBI / RBI guidelines or any other relevant directives / guidelines issued from time to time and that may be in force due to false/misleading information given by me or suppression of any material fact, both intentional or unintentional on my part and shall be solely liable for any action initiated by any of the regulatory authorities concerned.

I undertake to abide by the local Laws, Rules & Regulations in India and confirm that the country of my residence other than India does not prohibit On Line Trading or trading/investing or doing business through the electronic platform or through any other mode as may be permitted by the law of that country.

Irrevocably submit to and accept, generally and unconditionally, the venue of proceedings chosen by M/s GCML in connection to any legal action or suit arising out of this account and /or transactions arising there from and I irrevocably waive any objection which I may have now or in future to the laying of the venue of such proceedings and any claim that anysuch proceedings have been brought in an inconvenient forum.

Client Name: \_\_\_\_\_

Sign here :



**FEMA DECLATATION FORMAT (For NRI's)**

I ..... S/o/D/o.....

Residing at .....

am following the rules and regulation of FEMA and will continue to do the same in future too.

Regards

Client Name: \_\_\_\_\_

Sign here :



# INSTURCTION CUM TICK LIST

## G. 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 Company need to be provided by the client from time to time.

**H. Demat Proof:** Demat master or recent holding statement issued by DP bearing name of the client.

## I. In-person Verification:

For Individuals:

- (i). 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.
- (ii). 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.

For Non Individuals: Form need to be initialed by all the authorized Signatories.

## J. General Instructions

1. All documents submitted as proof must be self attested by the client.
2. Thumb impression must be attested by a magistrate or a notary public or a special executive magistrate under his/her official seal.
3. Photocopies of photograph will not be accepted. Photograph submitted should be passport size, front facing and with a plain background. Client sign should be across in such a manner where part of the signature is on the photo and other part of the form.
4. Short signature/initial is not allowed on the KYC
5. Photo copy of all document inclusive of PAN, address proof and identity proof must be clearly visible so that every written text and photo can be matched with KYC
6. Signature should match with PAN/ Copy of cancelled cheque leaf/Bank verification letter
7. If correspondence and permanent address is different then both the address proofs are required
8. Annual Income / Net worth are mandatory
9. Every cutting, overwriting & fluid will be accepted only if duly attested and stamped by client
10. If any proof of entity is in other than Hindi or English then translation in Hindi or English is require with notaries stamp
11. If the address proof is utility bills or bank statement, if should be not more than 2 months old.
12. All communications shall be sent at the correspondence address/ mobile number/ e-mail id of the client. Please fill the email and mobile number on the kyc carefully and accurately.
13. PAN of HUF and Karta both to be obtained; Address and Bank proof to be in name of HUF; Declaration to be signed by Karta and all coparceners and also provide the pan card copy of at least two coparceners.
14. Only Balance sheet and net worth is considered as financial proof for Corporate.
15. NRI cannot deal in Currency Derivative Segment
16. Trading A/c cannot be opened in joint names.
17. KYC will be signed by the client only and power of attorney holders are not allowed to sign the KYC
18. If email Id & mobile no is same in more than one code then family declaration required.

## K. Proof for Bank Account

1. Bank account statement/Passbook copy should not be more than 3 months old
2. Bank Statement should clearly mention the name and address of the client.
3. The bank statement should duly attested (Sign & Stamp) by the authorized official of the bank mentioning the bank and designation of the bank authorized official.
4. Bank Verification letter should be in prescribed format on the letter head of the Bank duly signed and authorised by the Bank official mentioning his/her Name, Designation, Signature & Employee Code.
5. Cancelled Cheque should have name of the account holder and account number printed on the same.

## L. Corporate

1. Form 18 and Form 32 valid with challan copy.
2. Form 18 used for address proof of the company.
3. Form 32 used for change in director's detail of the company.
4. All incorporation certificates should be self attested and all incorporation certificates must be attached with the Memorandum.
5. Detail of Director should match with memorandum and if there is any change then then Form 32 with the challan copy is required
6. The following mandatory points must be incorporated in board resolutions.
  - Date of Resolution
  - Resolution date not latter to KYC date
  - Name of Broker as Globe Capital Market Ltd.
  - Segment like Equity, Currency, Future, Option, Cash Etc.
  - Name of the exchanges in which client wants to trade
  - Authorized person name in BR.
7. Authorized person can perform signature on BR until he/she is/are only the director in the company.
8. If Letter of authority to trade given on behalf of any other person than authorized in BR then company must provide the separate BR, Person ID and address proof.

9. Share holding Pattern - Less than 2% share holders may provide under Other Category but 100 % share holding pattern require.
10. Share holding total must be equal to share capital
11. In case of name change incorporation certificate and PAN card of new name required
12. Date of Incorporation on KYC Form should match with date of incorporation from memorandum and PAN card date
13. Net-worth amount and date of net-worth is mandatory
14. In company share holding any other company is a share holder with equal to or more than 25% holding then we require that company share holding also if this will again happen in holding company then again we require share holding and it will continue.
15. All the incorporation certificate should be attached with the memorandum if any updation incorporation certificate attached with the memorandum instead of first incorporation certificate then we require first incorporation certificate also.
16. If company fills two addresses then both address proof are required
17. At least two director detail is must

### • In Case of Name change in the company

- New PAN
- In corporation certificate
- KRA

### • In case of change in the director

- KRA
- List of Director
- Form 32 with challan copy
- PAN, Address of Director

### • In case of change in the Authorized Signatory(ies)

- KRA
- List of Director
- Form 32 with challan copy
- PAN, Address of Auth. Signatory(ies)
- Board Resolution
- List of Authorise signatory(ies) with specimen signatory(ies)

### • In case of change in the Share holding Pattern

- KRA
- List of Director
- Form 32 with challan copy
- PAN, Address of Auth. Signatory(ies)
- Board Resolution
- List of Authorise signatory(ies) with specimen signatory(ies)
- Share Holding Pattern required (Follow the cross holding)

18. All director address proof and PAN card copy required for NCDEX Exchange.
19. KRA annexure must for all directors and authorized signatory. If any company not provide the KRA annexure of the authorized signatory then it will not the reason to hold the KRA but as per our internal policy we have to collect all the document of the Authorized Signatory.
20. Send the KYC to compliance team before opening of trading account but in case of emergency we send the account opening form after the code opened.

### • In Case of Name change in the company

- New PAN
- In corporation certificate

### • In case of change in the director

- List of Director

## M. Partnership Firm

All formalities and checking criteria are same as like corporate, few difference are as follows

1. Authority Letter instead of Board Resolution
2. Partnership Deed instead of Memorandum
3. All Partner signature is mandatory in authority letter
4. In LLP registration certificate is must

### N. Limited Liability Partnership (LLP):

- (a) Copy of the balance sheets for the last 2 financial years (to be submitted every year).
- (b) Certificate of registration.
- (c) Copy of partnership deed.
- (d) Authorised signatories list with specimen signatures and photograph.
- (e) Photograph, POI, POA, PAN of Partners.
- (f) Resolution/ Authority Letter for investment in securities market

## A. DOCUMENT TICK LIST FOR INDIVIDUAL

1. PAN Card

2. Passport Size photo

### 3. Address Proof (only OVD)

Passport  Voter ID Card  UID  Driving License  Job card issued by NREGA

### 4. Bank Proof

Name Printed Cancelled Cheque Leaf  Copy of pass book  Latest Bank Statement

### 5. DP Proof

Current Demat Master  Recent Holding Statement

## B. DOCUMENT TICK LIST FOR CORPORATE

### 1. Address Proof of Company\*\*

Bank Statement or Passbook\*\*\*  Telephone Bill (only land line bill of MTNL & BSNL)\*\*  Electricity Bill\*\*\*  Form 18

### 2. Bank Proof

Latest Bank Statement  Copy of pass book  Name Printed Cancelled Cheque Leaf

### 3. DP Proof

Current Demat Master  Recent Holding Statement

### 4. Other Mandatory Document

Pan card of Company  List of Director's & Permotors \*\*  Board Resolution \*\*  Balance Sheets of Last Two Years   
Share Holding Pattern \*\*  Networth Certificate  Certified MOA  ITR of last two year   
Certified AOA  List of Authorised Signatory

\*\* These documents must be on letter head of company and should be duly signed and stamped

### 5. Directors\*\* Details

PAN  Passport size Photograph  UID  DIN  Form 32   
Address proof  (Please Specify)  Bank proof  (Please Specify)

### 6. Permotors\*\* Details

PAN  Passport size Photograph  UID  DIN  Form 32   
Address proof  (Please Specify)  Bank proof  (Please Specify)

## C. DOCUMENT TICK LIST HUF

1. PAN Card of HUF

### 2. Address Proof of HUF\*\*

Bank Statement or Passbook\*\*\*  Telephone Bill (only land line bill of MTNL & BSNL)\*\*  Electricity Bill\*\*\*   
Any Other  (Please Specify)

### 3. Bank Proof of HUF

Name Printed Cancelled Cheque Leaf  Latest Bank Statement  Copy of pass book

### 4. DP Proof

Current Demat Master  Recent Holding Statement

### 5. Other Mandatory Document

HUF Declaration  List of Coparseners

### 6. Karta (I) Details:

KRA of Karta  Pan  Passport size Photograph  UID   
Address proof  (Please Specify)  Bank proof  (Please Specify)

## D. DOCUMENT TICK LIST FOR PARTNERSHIP

### 1. Address Proof of Partnership Firm\*\*

Telephone Bill (only land line bill of MTNL & BSNL)\*\*  Electricity Bill\*\*\*  Bank Statement or Passbook\*\*\*   
AnyOther   (Please Specify)

### 2. Bank Proof of Partnership Firm

Name Printed Cancelled Cheque Leaf  Copy of pass book  Latest Bank Statement

### 3. DP Proof

Current Demat Master  Recent Holding Statement

### 4. Other Mandatory Document

Pan card of Partnership Firm  Authority Letter \*\*  List of Partner's with Sharing ratio\*\*  List of Authorized Signatory  Networth Certificate   
ITR of last two year  Partnership Deed  Balance Sheets of Last Two Years  Certification of Registration

\*\* These documents must be on letter head of company and should be duly signed and stamped

### 6. Partners Details

Pan  Passport size Photograph  UID   
Address proof   (Please Specify) Bank proof   (Please Specify)

## E. DOCUMENT TICK LIST FOR NRI

### 1. PAN Card

### 2. Address Proof (Indian)\*

Passport  Voter ID Card  UID  Driving License

### 4. Address Proof (Overseas)\*

Passport  Driving License

### 5. Bank Proof (NRE/NRO)

Name Printed Cancelled Cheque Leaf  Latest Bank Statement

### 6. DP Proof

Current Demat Master  Recent Holding Statement

### 7. Other Mandatory Document

PIS Permission Letter from the respective designated bank  Copy of VISA  FEMA Declaration  NRI Declaration

- If client has obtained the NRO PIS permission from the designated bank to trade in cash market then, NRO status demat will be accepted only. In case of NRE PIS permission from designated bank branch, NRE status demat account would be accepted only.
- If client wants to trade in F&O/currency segment then NRO bank account is only acceptable as bank proof.
- If client wants to trade in F&O/currency segment then CP agreement on Three Hundred Rupees stamp paper required for each segment.

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