

**PPLEMENTARY BOOKLET
R MANDATORY DOCUMENT**

Form No.

**CLIENT REGISTRATION FORM
FOR DEMAT & TRADING ACCOUNT
(COMBINED FOR NSE, BSE & DP-NSDL)**

KIFS
TRADE CAPITAL
A **KHANDWALA** INTEGRATED VENTURE

KIFS TRADE CAPITAL PRIVATE LIMITED
CIN NO. : U65923DN2012PTC005494

Branch : _____ Demate Code : _____ Trading Code : _____

Name : _____

SEBI REGISTRATION NO.

Single SEBI Regn. No. : INZ000004234

Regn. Date for NSE, BSE : 15-03-2016

DP - NSDL : IN-DP-20-2015

Designated E-mail ID for Investor Grievances :

For Trading Account : complain@kifs.co.in

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Web Site : www.kifstradecapital.com

Right and Obligations of Beneficial and Depository Participant as prescribed by SEBI and 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 as submitted to the DP at the time of opening the demat account or furnished to the DP from time to time.

Fees/Charges/Tariff

5. The Beneficial Owner shall pay such charges to the DP for the purpose of holding and transfer of securities in dematerialized form and for availing depository services as may be agreed to from time to time between the DP and the Beneficial Owner as set out in the Tariff Sheet provided by the DP. It may be informed to the Beneficial Owner that "no charges are payable for opening of demat accounts"
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.

"I/we acknowledge the receipt of copy of the document, "Rights and Obligations of the Beneficial Owner and Depository Participant".



Sole / First Holder



Second Holder



Third Holder

RIGHTS AND OBLIGATIONS OF STOCK BROKERS, SUB-BROKERS AND CLIENTS
as prescribed by SEBI and Stock Exchanges

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

CLIENT INFORMATION

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

MARGINS

11. The client shall pay applicable initial margins, withholding margins, special margins or such other margins as are considered necessary by the stock broker or the Exchange or as may be directed by SEBI from time to time as applicable to the segment(s) in which the client trades. The stock broker is permitted in its sole and absolute discretion to collect additional margins (even though not required by the Exchange, Clearing House/Clearing Corporation or SEBI) and the client shall be obliged to pay such margins within the stipulated time.
12. The client understands that payment of margins by the client does not necessarily imply complete satisfaction of all dues. In spite of consistently having paid margins, the client may, on the settlement of its trade, be obliged to pay (or entitled to receive) such further sums as the contract may dictate/require.

TRANSACTIONS AND SETTLEMENTS

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

delivery/payment schedules, any changes therein from time to time, and it shall be the responsibility in turn of the client to comply with such schedules/procedures of the relevant stock exchange where the trade is executed.

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

BROKERAGE

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

LIQUIDATION AND CLOSE OUT OF POSITION

19. Without prejudice to the stock broker's other rights (including the right to refer a matter to arbitration), the client understands that the stock broker shall be entitled to liquidate/close out all or any of the client's positions for non-payment of margins or other amounts, outstanding debts, etc. and adjust the proceeds of such liquidation/close out, if any, against the client's liabilities/obligations. Any and all losses and financial charges on account of such liquidation/closing-out shall be charged to and borne by the client.
20. In the event of death or insolvency of the client or his/its otherwise becoming incapable of receiving and paying for or delivering or transferring securities which the client has ordered to be bought or sold, stock broker may close out the transaction of the client and claim losses, if any, against the estate of the client. The client or his nominees, successors, heirs and assignee shall be entitled to any surplus which may result therefrom. The client shall note that transfer of funds/securities in favor of a Nominee shall be valid discharge by the stock broker against the legal heir.
21. The stock broker shall bring to the notice of the relevant Exchange the information about default in payment/delivery and related aspects by a client. In case where defaulting client is a corporate entity/partnership/proprietary firm or any other artificial legal entity, then the name(s) of Director(s)/Promoter(s)/Partner(s)/Proprietor as the case may be, shall also be communicated by the stock broker to the relevant Exchange(s).

DISPUTE RESOLUTION

22. The stock broker shall provide the client with the relevant contact details of the concerned Exchanges and SEBI.
23. The stock broker shall co-operate in redressing grievances of the client in respect of all transactions routed through it and in removing objections for bad delivery of shares, rectification of bad delivery, etc.
24. The client and the stock broker shall refer any claims and/or disputes with respect to deposits, margin money, etc., to arbitration as per the Rules, Byelaws and Regulations of the Exchanges where the trade is executed and circulars/notices issued thereunder as may be in force from time to time.
25. The stock broker shall ensure faster settlement of any arbitration proceedings arising out of the transactions entered into between him vis-a-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 rep resentative to deal on behalf of the said client/stock-broker.

TERMINATION OF RELATIONSHIP

27. This relationship between the stock broker and the client shall be terminated; if the stock broker for any reason ceases to be a member of the stock exchange including cessation of membership by reason of the stock broker's default, death, resignation or expulsion or if the certificate is cancelled by the Board.
28. The stock broker, sub-broker and the client shall be entitled to terminate the relationship between them without giving any reasons to the other party, after giving notice in writing of not less than one month to the other parties. Notwithstanding any such termination, all rights, liabilities and obligations of the parties arising out of or in respect of transactions entered into prior to the termination of this relationship shall continue to subsist and vest in/be binding on the respective parties or his/its respective heirs, executors, administrators, legal representatives or successors, as the case may be.
29. In the event of demise/insolvency of the sub-broker or the cancellation of his/its registration with the Board or/ withdrawal of recognition of the sub-broker by the stock exchange and/or termination of the agreement with the sub broker by the stock broker, for any reason whatsoever, the client shall be informed of such termination and the client shall be deemed to be the direct client of the stock broker and all clauses in the 'Rights and Obligations' document(s) governing the stock broker, sub-broker and client shall continue to be in force as it is, unless the client intimates to the stock broker his/its intention to terminate their relationship by giving a notice in writing of not less than one month.

ADDITIONAL RIGHTS AND OBLIGATIONS

30. The stock broker shall ensure due protection to the client regarding client's rights to dividends, rights or bonus shares, etc. in respect of transactions routed through it and it shall not do anything which is likely to harm the interest of the client with whom and for whom they may have had transactions in securities.
31. The stock broker and client shall reconcile and settle their accounts from time to time as per the Rules, Regulations, Bye Laws, Circulars, Notices and Guidelines issued by SEBI and the relevant Exchanges where the trade is executed.
32. The stock broker shall issue a contract note to his constituents for trades executed in such format as may be prescribed by the Exchange from time to time containing records of all transactions including details of order number, trade number, trade time, trade price, trade quantity, details of the derivatives contract, client code, brokerage, all charges levied etc. and with all other relevant details as required therein to be filled in and issued in such manner and within such time as prescribed by the Exchange. The stock broker shall send contract notes to the investors within one working day of the execution of the trades in hard copy and/or in electronic form using digital signature.
33. The stock broker shall make pay out of funds or delivery of securities, as the case may be, to the Client within one working day of receipt of the payout from the relevant Exchange where the trade is executed unless otherwise specified by the client and subject to such terms and conditions as may be prescribed by the relevant Exchange from time to time where the trade is executed.
34. The stock broker shall send a complete 'Statement of Accounts' for both funds and securities in respect of each of its clients in such periodicity and format within such time, as may be prescribed by the relevant Exchange, from time to time, where the trade is executed. The Statement shall also state that the client shall report errors, if any, in the Statement within such time as may be prescribed by the relevant Exchange from time to time where the trade was executed, from the receipt thereof to the Stock broker.
35. The stock broker shall send daily margin statements to the clients. Daily Margin statement should include, inter-alia, details of collateral deposited, collateral utilized and collateral status (available balance/due from client) with break up in terms of cash, Fixed Deposit Receipts (FDRs), Bank Guarantee and securities.
36. The Client shall ensure that it has the required legal capacity to, and is authorized to, enter into the relationship with stock broker and is capable of performing his obligations and undertakings hereunder. All actions required to be taken to ensure compliance of all the transactions, which the Client may enter into shall be completed by the Client prior to such transaction being entered into.

ELECTRONIC CONTRACT NOTES (ECN)

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

LAW AND JURISDICTION

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

INTERNET & WIRELESS TECHNOLOGY BASED TRADING FACILITY PROVIDED BY STOCK BROKERS TO CLIENT
(All the clauses mentioned in the 'Rights and Obligations' document(s) shall be applicable. Additionally, the clauses mentioned herein shall also be applicable.)

1. Stock broker is eligible for providing Internet based trading (IBT) and securities trading through the use of wireless technology that shall include the use of devices such as mobile phone, laptop with data card, etc. which use Internet Protocol (IP). The stock broker shall comply with all requirements applicable to internet based trading/securities trading using wireless technology as may be specified by SEBI & the Exchanges from time to time.
2. The client is desirous of investing/trading in securities and for this purpose, the client is desirous of using either the internet based trading facility or the facility for securities trading through use of wireless technology. The Stock broker shall provide the Stock broker's IBT Service to the Client, and the Client shall avail of the Stock broker's IBT Service, on and subject to SEBI/Exchanges Provisions and the terms and conditions specified on the Stock broker's IBT Web Site provided that they are inline with the norms prescribed by Exchanges/SEBI.
3. The stock broker shall bring to the notice of client the features, risks, responsibilities, obligations and liabilities associated with securities trading through wireless technology/internet/smart order routing or any other technology should be brought to the notice of the client by the stock broker.
4. The stock broker shall make the client aware that the Stock Broker's IBT system itself generates the initial password and its password policy as stipulated in line with norms prescribed by Exchanges/SEBI.
5. The Client shall be responsible for keeping the Username and Password confidential and secure and shall be solely responsible for all orders entered and transactions done by any person whatsoever through the Stock broker's IBT System using the Client's Username and/or Password whether or not such person was authorized to do so. Also the client is aware that authentication technologies and strict security measures are required for the internet trading/ securities trading through wireless technology through order routed system and undertakes to ensure that the password of the client and/or his authorized representative are not revealed to any third party including employees and dealers of the stock broker.
6. The Client shall immediately notify the Stock broker in writing if he forgets his password, discovers security flaw in Stock Broker's IBT System, discovers/suspects discrepancies/unauthorized access through his username/password /account with full details of such unauthorized use, the date, the manner and the transactions effected pursuant to such unauthorized use, etc.
7. The Client is fully aware of and understands the risks associated with availing of a service for routing orders over the internet/securities trading through wireless technology and Client shall be fully liable and responsible for any and all acts done in the Client's Username/password in any manner whatsoever.
8. The stock broker shall send the order/trade confirmation through email to the client at his request. The client is aware that the order/ trade confirmation is also provided on the web portal. In case client is trading using wireless technology, the stock broker shall send the order/trade confirmation on the device of the client.
9. The client is aware that trading over the internet involves many uncertain factors and complex hardware, software, systems, communication lines, peripherals, etc. are susceptible to interruptions and dislocations. The Stock broker and the Exchange do not make any representation or warranty that the Stock broker's IBT Service will be available to the Client at all times without any interruption.
10. The Client shall not have any claim against the Exchange or the Stock broker on account of any suspension, interruption, non-availability or malfunctioning of the Stock broker's IBT System or Service or the Exchange's service or systems or non-execution of his orders due to any link/system failure at the Client/Stock brokers/Exchange end for any reason beyond the control of the stock broker/Exchanges.

Annexure 5

RISK DISCLOSURE DOCUMENT FOR CAPITAL MARKET AND DERIVATIVES SEGMENTS

This document contains important information on trading in Equities/Derivatives Segments of the stock exchanges. All prospective constituents should read this document before trading in Equities/Derivatives Segments of the Exchanges. Stock exchanges/SEBI does neither singly or jointly and expressly nor impliedly guarantee nor make any representation concerning the completeness, the adequacy or accuracy of this disclosure document nor have Stock exchanges /SEBI endorsed or passed any merits of participating in the trading segments. This brief statement does not disclose all the risks and other significant aspects of trading.

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

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

It must be clearly understood by you that your dealings on Stock exchanges through a stock broker shall be subject to your fulfilling certain formalities set out by the stock broker, which may inter alia include your filling the know your client form, reading the rights and obligations, do's and don'ts, etc., and are subject to the Rules, Byelaws and Regulations of relevant Stock exchanges, its Clearing Corporation, guidelines prescribed by SEBI and in force from time to time and Circulars as may be issued by Stock exchanges or its Clearing Corporation and in force from time to time. Stock exchanges does not provide or purport to provide any advice and shall not be liable to any person who enters into any business relationship with any stock broker of Stock exchanges and/or any third party based on any information contained in this document. Any information contained in this document must not be construed as business advice. No consideration to trade should be made without thoroughly understanding and reviewing the risks involved in such trading. If you are unsure, "you must seek professional advice on the same.

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

1. BASIC RISKS:

1.1 Risk of Higher Volatility:

Volatility refers to the dynamic changes in price that a security/derivatives contract undergoes when trading activity continues on the Stock Exchanges. Generally, higher the volatility of a security/derivatives contract, greater is its price swings. There may be normally greater volatility in thinly traded securities/derivatives contracts than in active securities /derivatives contracts. As a result of volatility, your order may only be partially executed or not executed at all, or the price at which your order got executed may be substantially different from the last traded price or change substantially thereafter, resulting in notional or real losses.

1.2 Risk of Lower Liquidity:

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

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

1.3 Risk of Wider Spreads:

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

1.4 Risk-reducing orders:

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

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

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

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

1.5 Risk of News Announcements:

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

1.6 Risk of Rumors:

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

1.7 System Risk:

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

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

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

1.8 System/Network Congestion:

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

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

2.1 Effect of "Leverage" or "Gearing":

In the derivatives market, the amount of margin is small relative to the value of the derivatives contract so the transactions are 'leveraged' or 'geared'. Derivatives trading, which is conducted with a relatively small amount of margin, provides the possibility of great profit or loss in comparison with the margin amount. But transactions in derivatives carry a high degree of risk.

You should therefore completely understand the following statements before actually trading in derivatives and also trade with caution while taking into account one's circumstances, financial resources, etc. If the prices move against you, you may lose a part of or whole margin amount in a relatively short period of time. Moreover, the loss may exceed the original margin amount.

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

B. If you fail to deposit the additional amount by the deadline or if an outstanding debt occurs in your account, the

stock broker may liquidate a part of or the whole position or substitute securities. In this case, you will be liable for any losses incurred due to such close-outs.

- C. Under certain market conditions, an investor may find it difficult or impossible to execute transactions. For example, this situation can occur due to factors such as illiquidity i.e. when there are insufficient bids or offers or suspension of trading due to price limit or circuit breakers etc.
- D. In order to maintain market stability, the following steps may be adopted: changes in the margin rate increases in the cash margin rate or others. These new measures may also be applied to the existing open interests. In such conditions, you will be required to put up additional margins or reduce your positions.
- E. You must ask your broker to provide the full details of derivatives contracts you plan to trade i.e. the contract specifications and the associated obligations.

2.2 Currency specific risks:

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

2.3 Risk of Option holders:

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

2.4 Risks of Option Writers:

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

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

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

4. GENERAL

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

Annexure-6

GUIDANCE NOTE - DO's AND DO NTs FOR TRADING ON THE EXCHANGE(S) FOR INVESTORS

BEFORE YOU BEGIN TO TRADE

1. Ensure that you deal with and through only SEBI registered intermediaries. You may check their SEBI registration certificate number from the list available on the Stock exchanges www.nseindia.com / www.bseindia.com / and SEBI website www.sebi.gov.in.
2. Ensure that you fill the KYC form completely and strike off the blank fields in the KYC form.
3. Ensure that you have read all the mandatory documents viz. Rights and Obligations, Risk Disclosure Document, Policy and Procedure document of the stock broker.
4. Ensure to read, understand and then sign the voluntary clauses, if any, agreed between you and the stock broker Note that the dauses as agreed between you and the stock broker cannot be changed without your consent.
5. Get a cleandea 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 demataecount, please refer to the guidelines issued by SEBI/Exchanges in this regard.

TRANSACTIONS AND SETTLEMENTS

8. The stcck r-oker may issue electronic contract notes (ECN) if specifically authorized by you in writing. You should provide 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 internettrading account's password with anyone.
10. Don't make any payment in cash to the stock broker.
11. Make the payments by account payee cheque in favour of the stock broker. Don't issue cheques in the name of sub-broker. Ensure that you have a documentary proof of your payment/deposit of securities with the stock broker, stating date, scrip, quantity, towards which bank/ demat account such money or securities deposited and from which bank/demataecount.
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, payout of funds or delivery of securities as the case maybe, may not be made to you within one working day from the receipt of payout from the Exchange. Thus the stock broker may maintain a running account for you subject to the following conditions:
 - a) Such authorization from you shall be dated, signed by you only and contains the clause that you may revoke the same at any time.
 - b) The actual settlement of funds and securities shall be done by the stock broker, at least once in a calendar quarter or month, depending on your preference. While settling the account, the stock broker shall send to you a 'statement of accounts' containing an extract from the client ledger for funds and an extract from the register of securities displaying all the receipts/deliveries of funds and securities. The statement shall also explain the retention of funds and securities and the details of the pledged shares, if any.
 - c) On the date of settlement, the stock broker may retain the requisite securities/funds towards outstanding obligations and may also retain the funds expected to be required to meet derivatives margin obligations for next 5 trading days, calculated in the manner specified by the exchanges. In respect of cash market transactions, the stock broker may retain entire pay-in obligation of funds and securities due from clients as on date of settlement and for next day's business, he may retain funds/securities/margin to the extent of value of transactions executed on the day of such settlement in the cash market.
 - d) You need to bring any dispute arising from the statement of account or settlement so made to the notice of the stock broker in writing preferably within 7 (seven) working days from the date of receipt of funds/securities or statement, as the case may be. In case of dispute, refer the matter in writing to the Investors Grievance Cell of the relevant Stock exchanges without delay.

- 4 In case you have not opted for maintaining running account and pay-out of funds/securities is not received on the next working day of the receipt of payout from the exchanges, please refer the matter to the stock broker. In case there is dispute, ensure that you lodge a complaint in writing immediately with the Investors Grievance Cell of the relevant Stock exchange.
15. Please register your mobile number and email id with the stock broker, to receive trade confirmation alerts/details of the transactions through SMS or email, by the end of the trading day, from the stock exchanges.

IN CASE OF TERMINATION OF TRADING MEMBERSHIP

16. In case, a stock broker surrenders his membership, is expelled from membership or declared a defaulter; Stock exchanges gives a public notice inviting claims relating to only the "transactions executed on the trading system" of Stock exchange, from the investors. Ensure that you lodge a claim with the relevant Stock exchanges within the stipulated period and with the supporting documents.
17. Familiarize yourself with the protection accorded to the money and/or securities you may deposit with your stock broker, particularly in the event of a default or the stock broker's insolvency or bankruptcy and the extent to which you may recover such money and/or securities may be governed by the Bye-laws and Regulations of the relevant Stock exchange where the trade was executed and the scheme of the Investors' Protection Fund in force from time to time.

DISPUTES/ COMPLAINTS

18. Please note that the details of the arbitration proceedings, penal action against the brokers and investor complaints against the stock brokers are displayed on the website of the relevant Stock exchange.
19. In case your issue/problem/grievance is not being sorted out by concerned stock broker/sub-broker then you may take up the matter with the concerned Stock exchange. If you are not satisfied with the resolution of your complaint then you can escalate the matter to SEBI.
20. Note that all the stock broker/sub-brokers have been mandated by SEBI to designate an e-mail ID of the grievance redressal division/compliance officer exclusively for the purpose of registering complaints.⁶

This is a mandatory/compulsory document from Broker and requires your utmost care, attention and understanding. This is an additional requirements from Broker which if contravenes any rules, regulations, articles, byelaws, circulars, directives and guidelines of SEBI and Exchanges, shall be null and void.

Dealing in Penny Stocks : Generally, the Broker refuses to enter any order of clients for penny stocks. The client is required to adhere to exchange/members' guidelines and due diligence while trading in such scrips. Even trading in such scrips is very risky. As such, the stock broker may from time to time limit (quantity / value) / refuse orders in one or more securities due to various reasons including market liquidity, value of security(ies), the order being for securities which are not in the permitted list of the stock broker / exchange(s) / SEBI or illiquid scrips. Depending on the market condition and risk management policy of the company, the stock broker reserves the right to refuse to provide limit in Penny Stocks and losses if any on account of such refusal shall be borne by the client only. We the broker, do hereby warn the client not to deal in any penny stocks. However, Broker at its sole discretion, may allow or disallow the clients (on case to case basis) to deal in penny stocks, subject to rules, regulations, articles, bye laws, circulars, directives and guidelines of SEBI and Exchanges as well as considering the prevalent market and other circumstances, at related point of time. The exposure limit in such scrips shall vary from client to client subject to RMS Policy of Broker and prevalent market condition from time to time without prior notice.

Client's Exposure Limit: 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 to number, value and/or kind of securities in respect of which order can be placed etc.). The client is aware and agrees 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 securities specific/volume specific exposure etc.) and the stock broker may be unable to inform the client of such variation, reduction or imposition in advance. The client agree that the stock broker shall not be responsible for such variation, reduction or imposition or client's inability to route any order through stock broker's trading system on account of such variation, reduction or imposition of limits. The client further agrees that the stock broker may at any time, at its sole discretion and without prior notice, prohibit or restrict the client's ability to place order or trade in securities through the stock broker, or it may subject any order placed by the client to a review before its entry into the trading systems and may refuse to execute/allow execution of orders due to but not limited to the reason of lack of margin/securities or the order being outside the limits set by stock broker/exchange/SEBI and any other reasons which the stock broker may deem fit and proper in the circumstances. The client agrees that the losses, if any, on account of such refusal or due to delay caused by such review, shall be borne exclusively by the clients alone. The Stock broker has margin based Risk Management System. Client exposure limits are set based on collateral and funds' deposited by the client. The type of acceptable collateral as well as the exposure limit varies from client to client depending upon the profile and the channel of trading of the client.

Brokerage Rate: The Broker discloses that it shall charge a brokerage at the rate being agreed by the client with Broker (including its branches or sub-brokers) as per tariff sheet executed by the client and depending upon market circumstances or as may be prescribed in KYC document / Back office Software. However, the Broker shall adhere to true maximum permissible limit (presently not to exceed 2.5 %) as may be prescribed by SEBI / Exchanges from time to time On option segment of Exchange, it is hereby disclosed that brokerage shall not exceed 2.5% of the premium amount o Rs. 100/- (per lot) whichever is higher.

Imposition of Penalty/Delayed payment Charges: The client agrees that any amounts which are overdue from client towards trading or on account of any other reason to the stock broker, will be charged with delayed payment charges (12 % to 21 % p.a. (depending upon prevalent market rate). The client agrees that the stock broker may impose fines / penalties for any orders / trades / deals / actions of client which are contrary to this agreement or understanding as per KYC documents / rules / regulations / bye laws / circulars / guidelines / direction of the Exchange or SEBI or under any other law for time being in force, at such rates and in such form as it may deem fit. Further where the stock broker has pay any fine or bear any punishment from any authority in connection with or as a consequence of or in relation to or of the orders / trades /deals / actions of the client, the same shall be borne by the client.

However, the client discloses that he/she/it is aware and specifically agree that charging of delayed payment charge t j stock broker is just an additional / ad-hoc facility and shall not be construed / resulted into permanent practice lead to funding by broker in contravention of applicable laws.

Sell of Securities or Closing Open Position : The Client also agrees and confirms and undertake to immediately deposit with the stock broker such funds, securities or other acceptable security which the stock broker may in its own discretion from time to time require as margin. The client agrees that the stock broker shall be entitled to require the client to deposit with the stock broker a higher margin that prescribed by the Exchange. The client is liable to pay an initial margin up front on or before creating a position in any Derivatives Contract. Such margin shall be decided upon by the Stock Broker or the Exchange from time to time. Furthermore, the client is liable to pay (or receive) daily margins depending on whether the price of derivatives contract moves for or against the position undertaken. The client may also be liable to pay withholding margin, special margin or such other margins as are considered necessary by the stock broker or the Exchange from time to time. The stock broker is permitted in its sole and absolute discretion to collect additional margins (even though not imposed by any exchange or SEBI) and the client shall be obliged to pay such margins. In case the client does not provide the required margin or any other payment whatsoever within the time frame specified by the stock broker, the stock broker shall have the right to appropriate and / or sell and /or instruct to sell and/or transfer all or any securities or money in client's account and/or any associated account and/or any proceeds thereof, square-off all or any outstanding positions, prevent any new orders from being placed and / or executed by the client or take such other action as the stock broker thinks fit and proper. The stock broker may exercise all or any of the above rights in such manner as the stock broker may think appropriate, without demand for additional margin, security or collateral or advance notice or advertisement, on any exchange or other market where such business can be transacted, at a public auction or by private sale and the stock broker may be the purchaser/seller for its own account. The giving of any prior demand, call or notice shall not be considered as a waiver of the stock broker's right to exercise its rights without any such demand, call or notice. The client agrees that in case of high market volatility, the stock broker may require the client to pay instantaneous margins in addition to the margins that may already have been paid the client as per margin calls. The client agrees that the stock broker may be compelled to in such circumstances of market volatility, in absence of the payment of the said instantaneous margins by the client, square-off all or any outstanding positions, prevent any new orders from being placed and / or executed by the client or take such other action as the stock broker thinks fit and proper. The client agrees that the stock broker may be compelled to in circumstances of extreme market volatility, square-off all or any outstanding positions, prevent any new orders from being placed and / or executed by the client or take such other action as the stock broker thinks fit and proper, even without calling for the payment by the client, of the aforesaid instantaneous margins by the client. In case of short fall in the margin, the stock broker shall check for availability of additional limits in client's associated account(s) to see whether adequate additional limits are available to restore the margin level to the initial margin level and if no such limits are available then the client's outstanding positions may be squared-off by the stock broker, at its discretion, without notice to client. If the client has entered into a short sale or long purchase then the stock broker shall be entitled to, at any time before the client has squared-off his short sale or long purchase position, square-off and/or carry forward the whole or part of the same on any day, at any place and in any manner as the stock broker thinks fit, or permit the exchange to close out or auction such position, and the aforesaid shall be at the client's sole risk and cost.

If the client has been permitted to do margin trading (if and when provided by the stock broker) or otherwise, the stock broker shall be entitled to square-off client's outstanding position, inter-alia, where, in the stock broker's opinion, the mark-to-market loss, has breached or may breach the margins available with the stock broker, where the margin or security(ies) placed by the client and available with the stock broker falls short of the stock broker's requirement, where any limit given to the client has been breached or where the client has defaulted on any existing obligation. The client do hereby authorizes the stockbroker to, at stock broker's discretion, should the stock broker deem fit necessary for the stock broker's own protection, to buy, sell or close out any part or all of the Derivative Contracts held in the Client's account with the stock broker. Any or all such incidental expenses, costs incurred by the stock broker will be reimbursed by the client. In enforcing its set-off, lien and/or other rights, the stock broker may, in its absolute discretion, determine which securities are to be sold or appropriated, which account is to be debited or which contracts are to be closed. Thus, In case of any delay (beyond permissible time limit as per SEBI's or Exchange's rules, regulations, bye laws, circulars and other applicable laws/provisions) or in-ordinate delay in making the payment or clearance of or meeting up of any obligations, dues, debit balances, margin, MTOM debit balance etc. by client, then client's open positions might be squared-off, credit balances of securities or securities lying with Broker might be sold off, credit balance of funds might be adjusted against client's obligation, debit balances or liabilities WITHOUT ANY NOTICE from Broker as per prevalent RMS policy from time to time.

Shortages in Obligation and Internal Auction: The 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 Exchange, the clearing corporation/house or other company or entity liable to make the payment and the client has fulfilled his / her /its obligation

first. In case of default in security pay in by the client and the shortage is at member level i.e. internal shortage then the benefit calculated at the next day's closing rate after pay-out day shall be recovered from the defaulting client and passed on to the respective beneficiary client.

In case of the default of securities pay-in by the client and the shortage is from the exchange, auction value of the respective exchange plus penalty (decided by the member from time to time) plus brokerage and other statutory charges shall be recovered from the defaulting client.

In the case of funds default by the client, the member shall be liquidating the stocks to recover the money. Any shortfall arising out of liquidating securities by the members shall also be recovered from the defaulting client along with interest (decided by the member from time to time).

Restrictions/Prohibition to take further position or closing existing position: Under any of the circumstances, such as, client's failure to meet pay-in or margin obligations or clearance of outstanding/debit balance with broker before permissible time limit or beyond such period as may be allowed by broker as per its RMS policy, the Client may not be permitted to take any fresh or further position until the full clearance of earlier dues, obligation, outstanding etc. Even, broker can firstly set-off or adjust the payment or securities towards various dues and obligation of the client and until the full clearance of the same, shall not allow the client to take further/fresh position.

Further, it would be the duty of the client to monitor his/her/its position with the Broker from time to time. In case of any delay or failure in meeting any obligation, margin requirements etc. from client side, broker might close the existing position or open position WITHOUT ANY FURTHER INTIMATION to the client as per RMS policy. Notwithstanding anything contrary stated in the KYC documents, the stock broker in its absolute discretion, shall impose such restriction(s) or prohibit the client from taking further position or close out existing position or terminate broker client relationship, in happening of any of the following or under any of the following circumstances which may include without any limitation,

- (i) failure to meet pay-in obligation;
- (ii) delay in meeting the pay-in or margin requirement;
- (iii) delay or failure in clearance of outstanding or dues to the broker;
- (iv) returning or frequent returning of cheque (s) of the client;
- (v) Unnecessary/Unwarranted dispute from client without any substantial cause/reason;
- (vi) Client's attitude of not coming to the amicable settlement for any dispute that can be settled without involvement of Exchange and/or SEBI;
- (vii) As per prevalent surveillance action or RMS policy of the Broker from time to time;
- (viii) Any direction from SEBI/Exchange or such other authorities, or any commencement of legal process against the client under any law in force;
- (ix) On the death/lunacy or any other disability of client;
- (x) If a receiver/ liquidator/administrator has been appointed or allowed to be appointed for all or any part of the undertaking of the client;
- (xi) If the action of the client is/are prima facie illegal / improper or such as to manipulate the price of any securities or disturb the normal / proper functioning of the market, either alone or in conjunction with others;
- (xii) 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 to itself to the BIFR or under any other law providing protection as a relief undertaking;
- (xiii) In case of partnership client, the partners have taken any steps for dissolution of partnership;
- (xiv) If the client has made any material misrepresentation of the facts, including without limitation in relation to the funds and/or security;
- (xv) If there is reasonable apprehension to the Stock broker that the client is unable to pay his/her/its debts or has admitted its inability to pay, as they become payable;
- (xvi) If the client suffers any adverse material change in his/her/its financial position or defaults in any other agreement or understanding or obligation with the stock broker;
- (xvii) If any covenant or warranty of the client is incorrect or untrue in any material respect;
- (xviii) Under such other circumstances as the Broker might think just and proper on case to case basis.

Suspension / Deregistering of Client Account: The Broker and/or client may suspend Client's Trading Account from further dealing in the securities market through the broker in following circumstances:

- (a) as per Client's prior written request of at least 3 days submitted to Broker at its Ahmedabad H.O. duly acknowledged by Broker (subject to clearance of entire outstanding/obligations) subject to client accepting / adhering to conditions imposed by the stock broker including but not limited to settlement of account / release of holds and/or other obligation;
- (b) Dormant or in-active status of client account beyond specified time limit as may be prescribed by Broker from time to time,
- (c) Under any circumstances mentioned in (i) to (xviii) above.

Policy for Dormant / In-active account;

As per Broker's RMS policy, the account in which no transactions has took place during the period of not less than 6 months (presently 12 months) or such other period from the date of last transaction, the same shall be considered as Dormant / In-active account. Such transaction date may relate to any of the following date, which ever is later:

- (a) entry related to contract or bill generation for buy/sell transaction or
- (b) entry related to payment of funds or securities by client or
- (c) entry passed by the broker by way of JV due to any dues / obligation recoverable from client including but not limited to auction charges, any penalty amount whether or not imposed by Exchange or SEBI or other authorities etc.

To designate the client's account as Dormant / In-active account, the period of 12 months shall be counted from the last day of respective month in which any of the aforesaid last transaction took place. In case Broker treats the account of client as a dormant / in-active account, the funds or securities lying with the broker shall be refunded / returned to clients immediately on demand by the client. In order to reactive the account, client needs to instruct the Broker in writing at least 2 days in advance at its Ahmedabad H. O. The Broker will try to promptly reactivate the said account subject to fulfillment of such conditions as Broker may consider fit and proper. Such written request may also be sent by Client himself to Mr. Sunil Khatri /Mr. Amit Kadiya (Trading Account Dept.) thru Fax : on 079.- 26403717 or e-mail: on amit.kadiya@kifs.co.in / sunil.khatri@kifs.co.in from client's own e-mail account registered with Broker. However, Broker may, in its own discretion, waive / reduce the period of 2 days as the circumstances may warrant on case to case basis.

Client's acceptance of policies and procedures stated herein above: I /We have thoroughly read and fully understood the same and do hereby sign and agree not to call into question the validity, enforce ability and applicability or any provision/clauses of this document under any circumstances what so ever. These policies may be amended / changed unilaterally by the stock broker provided the change is informed to me/us through any one or more means / methods such as post / speed post / courier / regd. post / regd. ad / facsimile / telegram / e-mail / voice-mail / telephone (telephone includes such devices as mobile phone etc.) including SMS on the mobile phone or any other similar device/ by messaging on the computer screen of client's computer/ informing the client through the employees / agents / sub-brokers / authorised persons of the stock broker / by publishing or displaying it on the website of stock-broker/making it available as a download from the website of the stock broker / broad-cast / newspaper advertisement etc. or any other suitable or applicable mode or manner. I / We agree that the delivery shall be complete when communication is given to the postal department / courier company / the e-mail/voice mail / SMS service provider etc. / when displayed on Stock Broker's Website by the stock broker and I / We agree to abide by the same. These policies and procedures shall always be read along with other provisions of the KYC mandatory documents and shall compulsorily referred to while deciding any disputes / difference or claim between me/us and stock broker before any court of law / arbitrator or mediator /judicial/adjudicating authority etc.

Client's Signature



Date :

(dd/mm/yyyy)

VOLUNTARY DOCUMENT -1
[FOR SMOOTHER ACCOUNT OPERATIONS]

TO- KIFS Trade Capital Pvt. Ltd. (Member of NSE, BSE,)

I / WE UNDERSTAND THAT THIS IS PURELY A VOLUNTARY DOCUMENT AND SHALL FORM PART OF THE NON MANDATORY DOCUMENTS OF MY KYC FORM. IN CASE IF ANY OF THE CLAUSES OF THIS DOCUMENT SHALL DILUTE YOUR RESPONSIBILITY AS A STOCK BROKER OR IN CONFLICT WITH ANY OF THE CLAUSES IN THE MANDATORY DOCUMENTS, RULES, BYE-LAWS, REGULATIONS, NOTICES, GUIDELINES AND CIRCULARS ISSUED BY SEBI AND THE STOCK EXCHANGES FROM TIME TO TIME, THE SAME SHALL STAND NULL AND VOID.

1. I / We (herein after referred to as Client at some places) do hereby declare that I am/ We are regular investor in the stock markets in India and as such I am / We are conversant with the laws, practices, rules, regulations, guidelines, circulars, notifications etc. prescribed by Securities & Exchange Board of India (SEBI), National Stock Exchange of India Ltd. (NSEIL), Bombay Stock Exchange Ltd. (BSE),.
2. I / We wish to transact through KIFS Securities Pvt. Limited (herein after referred to as KIFS/Stock Broker/Member/you) and as such this document will operate for any / all / both of the segments of NSE and/or BSE and/or and/or whether CM Segment, F&O Segment and/or Currency Derivatives Segment or such other segment as the KIFS may become a member, in future, of these Exchanges and when I / We become client of that/those segment(s).
3. I /We understand and agree that you can debit my/our accounts either for any additional services provided by you as per my / our oral requests depending upon opening of my /our relevant account(s) or as may be required in compliance with applicable provisions of law.
4. I /We further declare that I am /We are aware of the illegal practices, if any, that may be prevalent in the Stock Market and I/We assure you that I / We will not indulge into the same and will not carry out dubba- trading.
5. I / We further declare that I /We will not carry out any unfair trade practices such as Synchronized Deals, Structured Deals, Circular Trading, Insider Trading in the Capital Market and/or F&O Market and/or Currency Derivatives Market.
6. I/We further declare and confirm that I/We will not place any order or carry out any trades/transactions on the Exchange which will reflect as an arrangement for profit or loss transactions or cross deals. Further, all the orders placed on the Exchange through you, will be in the normal market at normal/prevaling market prices and only in Liquid Securities/Scripts and not at unrealistic prices where there is corresponding underlying securities positions in the cash or futures segment of the Exchange. In case, any of my/our transactions being declared as violative to any rules/regulations/byelaws/circulars/directions/guidelines etc. of the Exchange/SEBI/SCRA. I/We will be solely responsible for all penalties/charges/damages etc. levied from you by the Exchange and accordingly do hereby undertake to reimburse/pay the same to you.
7. I / We further declare and confirm that the shares/securities provided/being provided to you are generally for the purpose of availing exposure limits/margin limits/towards collaterals in F&O and/or CD Segment of the Exchange(s).
8. I am/We further declare that as on the date of registration as your client, I am/We are eligible to transact in the securities market as per applicable rules, regulations, bylaws, circulars, guidelines etc. of SEBI, NSE and/or BSE or any other Exchange and have not been banned/restrained to transact in the securities market by any Exchange or statutory authorities and whatever permissions/prior permissions, as may be required from government authority(ies) have been obtained by me/us.
9. I/We hereby further declare that I am/We are aware of the following provisions of laws applicable to the Securities Market as may be applicable from time to time.
10. I am/we are aware that Section 11 of the SEBI Act, 1992 read with 11B (as may be amended form time to time) in teralia prescribed that 11 (4) without prejudice to the provisions contained in subsection (1) (2) (2A) and (3) of 11B,SEBI (the Board) may, by an order for reasons to be recorded in writing, in the interests of investors or securities market, take any of the following measures, either pending investigation or inquiry or on completions of such investigation or inquiry, namely restrain person from accessing the securities market and prohibit any person associated with securities market to buy, sell or deal insecurities.
11. I am/we are aware that Section 4 Prohibition of manipulative, fraudulent and unfair trade practices.
 - (1) Without prejudice to the provisions of regulation 3, no person shall indulge in a fraudulent or an unfair trade practices insecurities.
 - (2) Dealings in securities shall be deemed to a fraudulent or an unfair trade practices if it involves fraud and may include all or any of the following namely:-
 - (A) indulging in an act which creates false or misleading appearance of trading in the securities market;
 - (B) dealing in a security not intended to effect transfer of beneficial ownership but intended to operate only as a device to inflate, depress or cause fluctuations in the price of such security for wrongful gain or avoidance of

loss;

- (C) advancing or agreeing to advance any money to any person thereby inducing any other person to offer to buy any security in any issue only with the intention of securing the minimum subscription to such issue;
- (D) paying, offering or agreeing to pay or offer, directly or indirectly, to any person any money or money's worth for inducing such person for dealing in any security with the object of inflating, depressing, maintaining or causing fluctuation in the price of such security;
- (E) any act or omission amounting to manipulation of the price of a security;
- (F) publishing or causing to publish or reporting or causing to report by any person dealing in securities any information which is not true or which he does not believe to be true prior to or in the course of dealing in securities;
- (G) entering into a transaction in securities without intention of performing it or without intention of change of ownership of such security;
- (H) selling, dealing or pledging of stolen or counterfeit security whether in physical or dematerialized form;
- (I) an intermediary promising a certain price in respect of buying or selling of a security to a client and waiting till a discrepancy arises in the price of such security and retaining the difference in prices as profit for himself;
- (J) an intermediary providing his clients with such information relating to a security as cannot be verified by the clients before their dealing in such security;
- (K) an advertisement that is misleading or that contains information in a distorted manner and which may influence the decision of the investors;
- (L) an intermediary reporting trading transactions to his clients entered into on their behalf in an inflated manner in order to increase his commission and brokerage;
- (M) an intermediary not disclosing to his client transactions interceded into on his behalf including taking an option position;
- (N) circular transactions in respect of a security entered into between intermediaries in order to increase commission to provide a false appearance of trading in such security or to inflate or depress or cause fluctuation in the price of such security;
- (O) encouraging the clients by an intermediary to dealing in securities solely with the object of enhancing his brokerage or commission;
- (P) an intermediary predating or otherwise falsifying records such as contract notes;
- (Q) an intermediary buying and selling securities in advance of a substantial client order or whereby a future or option position is taken about an impending transaction in the same or related futures or options contract;
- (R) planting false or misleading news which may induce sale or purchase of securities.

I/We hereby further declare that I/ We will not indulge either directly or indirectly in any of the above mentioned fraudulent or unfair trade practices either individually or in concert with other persons/entities. In the event of any of the above fraudulent or unfair trade practices is noticed by the Exchange or Regulatory Authorities, then I/We shall be solely responsible for such acts as noticed and you shall not be responsible for my illegal and fraudulent and unfair trade practices in the capital market segment and Futures and Options segment of the exchange.

12. I/We further declare that I/We will not give any third party shares for settlement of my/our obligations to the Exchange. I/We further understand and agree that, for any reason, if any third party delivery is delivered to you, without prejudice to your right to reject the same up front and without my/our notice/intimation or without your right to levy any further charges / auction charges / penalties upon me/us as you may think fit and proper, at my/our sole risk, you can take such action as you may deem fit and proper including but not limited to suspension of my trading code or withholding of funds and/or securities.
13. I/We further declare that I/We will not receive or give any monies in cash or in kind for completing the settlement obligations, either pay-in or pay-out or margin etc. to the Exchange.
14. I/We declare and confirm up front that the securities delivered, if any, towards margin/collaterals/pay-in obligation etc. shall absolutely be free from any lien/encumbrances of whatsoever nature.
15. I/We have been informed by the trading member that in case the trading member does not receive any bounced mail or delivery failure notice from my/our side in case of ECN, it would tantamount to successful delivery of the contract notes and other documents.
16. Considering my/our account to be maintained on Running Account basis, I/We also request you, subject to settlement on monthly or quarterly basis as per my/our wishes, to consider the balances in my/our running funds and securities account with you for the purpose of margins/any other obligations due to you. In view of the above it would be proper for you to

release the funds and securities due to us/me on our/my specific request, either written or oral and only to the extent demanded by me/us. You may charge the cost of holding securities to our/my account with you, if any and I/We will make payments to you for bills raised by you or by way of journal voucher entries or other accounting entries in my/ our client ledger maintained in your books of accounts.

17. (A) Notwithstanding anything contrary contained in the KYC documents between us, I/We hereby inform you that I/We have opened/desired to open Trading Account with KIFS as a member of NSE and/or BSE and/or such other exchanges expressly shown by me/us in KYC form. Accordingly, if permissible by exchange(s), I/We hereby request you to transfer, make adjustments and/or to set off, a part or whole of the securities placed as margin and/or any surplus funds in any of my/our account/(s) maintained with you against the outstanding dues payable if any, by me/us in any of my/our account(s). KIFS/Stock Broker will have right to lien on the credit balance(s) in any of my/our accounts. Any entries passed by you in accordance with this authorization shall be binding on me/us. I/We am/are agreeable that if you can consider, as per your RMS policy from time to time, the credit balance of funds and shares be treated as margin for both cash and derivatives segment. I am/We are also agreeable for transfer of credit balances in margin account/client account of cash segment towards adjustment debit balance in margin account/Client account of derivatives segment and vice-versa. I am/We are also agreeable for transfer of credit balances in margin account/client account of cash and derivatives segment of (NSE) against debit balance in margin account/client account of cash and derivatives segment of (BSE) and vice-versa. I am/We are agreeable for inter-settlement transfer of securities towards pay in/ pay out of securities in the future/past settlements. I am/We are agreeable for and authorised you to withheld funds and/or securities of pay-out towards all the applicable margins and debits.
- (B) In consideration of you- the Stock Broker agreeing to this, I/We the Client agrees that if any amount is overdue from me/us, you may charge delayed payment charges as per your RMS policy from time to time and thus, the over dues including the interest on delayed'payment, shall be adjusted by you from dues to be payable to me/us. Thus I/We as your Client authorizes you-the Stock Broker to make adjustments and/or to set off a part or whole of the securities placed as margin/collateral, and/or any credit in any account as a Client so maintained with you - the Stock Broker or against the outstanding dues in any of the account maintained by me/ us with the Stock Broker. I/We further authorize you - the Stock Broker to sell the securities to recover any dues payable my me/ us to the Stock Broker. This authorization shall be treated as standing authorization and any entry passed or adjustments done by you - the Stock Broker to give effect to this authorization shall be binding on me/us as your Client. I/We, as your Client understands and confirms that this authorization forms basis for you as a Stock Broker to give trading limits/exposure limits, and for any other facilities offered by you to me/us. I/We also understand that according to the rules byelaws and regulations of the exchange and SEBI, you-the Stock Broker, are required to maintain segmentwise / exchange wise account of the Client.
- (C) I/We do hereby agree and declare that I am/We are aware that the Exchanges require the Stock Broker to maintain the client account for each Exchange/segment separately. For this purpose Stock Broker may allocate the payment received from client and payments made to the client to any of the account of the client for any exchange/segment.-Similarly the client authorizes the Stock Broker to pass such entries to adjust the debit or credit balance of the client in trading account of or Exchange/segment to the other or vice versa. The client also authorizes the Stock Broker to maintain consolidated account of the client to facilitate the day-to-day operations. Such consolidation and segregation of client account as maintained by the Stock Broker shall be binding on the client. Without affecting the generality of the aforesaid, I/We and you - KIFS i.e. the parties hereto agree as follows:
- (i) Money pay-in to Stock Broker: The client agrees that all payments due to the Stock Broker will be made within the specified time and in the event of any delay, the Stock Broker may refuse, at their discretion, to carry out transactions on behalf of the client. The client agrees that alternatively, the Stock Broker may square off such transactions or close-out the position and the costs/losses if any, thereof shall be borne solely and completely by the client. All payments made to the Stock Broker shall be from the account of client and shall not be from any third party. It is also agreed and confirmed that the stock broker as informed me/us that third party delivery/ cheque will NOT be accepted but if Stock Broker has inadvertently accepted any third party payment given by me/us directly to the bank A/c of Stock Broker, without its knowledge or information, the same shall be considered as sole bonafide purpose of the Client so as to meet any obligation of the client and no claim of such payment shall lie of the person from whose bank account the payment has been made and the client agrees and confirms the sole responsibility of what so ever nature, if "any, imposed upon the stock broker by Exchange or

any other authority.

- (ii) Money pay-out by Stock Broker: Notwithstanding anything contained in any other clause, if any, between the parties hereto, the client hereby authorised the Stock Broker to release all payments due to him from the trading account maintained with the Stock Broker, against specific request in that behalf made in the manner and following the procedure laid down in the terms and conditions. For the purposes of this clause, any request made through or on the web-site or otherwise intimated shall be sufficient for the Stock Broker to execute an instruction. Any payment made to the designated bank account or in the name of the client as per information available with the Stock Broker shall be deemed to be payment made to the client.
 - (iii) Securities pay-in to Stock Broker: Any delivery to be effected to the Stock Broker for a trade, must be made well within the prescribed time limit as per settlement schedule of the exchange. However, stock broker may accept or reject any late delivery than as stated above. Losses, if any, that may accrue in the event of default in completing the delivery on the Exchange by the Stock Broker as a result of any delay in the delivery by the client, shall be borne solely and completely by the client. Losses for the purposes of this clause shall include auction debits/penalty charges, if any incurred as a result of non-delivery of securities on the settlement date on the Exchange. No third party shares will be sold through the Stock Broker or third party payment should be made to Stock Broker and client will be solely responsible for any violation. If the client has sold any securities in anticipation of receipt of securities from the exchange against purchase in previous settlements, such sale shall be at the sole risk as to costs and consequences thereof of the client.
 - (iv) Securities pay-out by Stock Broker: The Stock Broker may directly credit the demat account of the client with the depository participant Provided that if the order placed by the client through the web-site or otherwise is for securities which are in the no-delivery period, such securities shall be credited to the trading account of the client only at the time of settlement of trades, as per the schedule of the Exchange. However, if any sum is due from the client the Stock Broker may withhold the credit of securities to its own beneficiary demat account or the demat account of the client.
 - (v) Securities shortages in pay in and pay out: The client agrees to be bound by the guidelines, including the rules pertaining to the adjustment of shortages in the client's position in securities transacted on behalf of the client, by the Stock Broker, either through orders placed through the use of the IBT or e-broking services and dial-up services of the Stock Broker or otherwise as may be issued by the Stock Broker from time to time. In case of internal shortage of securities, any entry passed to the account of Client in accordance with practice consistently followed by the Stock broker across all its Clients as may be consonance with stock exchange market/practices, shall be binding on the Client. Further in case of shortage of securities, the Client authorizes the Stock Broker to borrow shares on behalf of the Client and debit the charges for the same to the Client's account maintained with the Stock Broker.
 - (vi) Stock Broker is entitled to consider any sum or money or security lying to the credit of the Client as margin received.
18. I/We have a beneficiary account with KIFS DP bearing demat account no. _____. I/We find it extremely inconvenient to give cheques against your depository bills. Hence, I/We hereby authorise you, subject to applicable provisions, if any, to debit the trading account maintained with you for the debit charges payable by me/us to you as a DP for providing depository services to my/our trading account balances.
19. As regard the placement of orders, although you had insisted on written instruction for placing orders, considering the practical difficulties faced by me/us in complying the same, I/We would request you to accept orders placed by any other means other than written. Further note that, I/We do not require any order/trade placement or confirmation or modification or cancellation slips.
20. I/We have no objection if due to punching errors you might have to change the client codes for trade done as the circumstances may warrant, as per the rules and regulations of the Exchange.
21. I am/We are aware, agree and confirm that for non-payment of any margin money/pay-in obligations, you-the stock broker may sell all/any of the securities held by broker towards margin/collaterals/credit balance lying in my/Our client's account or may square-up all/any open position to fulfill these requirements as the circumstances may warrant.
22. You being a Member disclosed that you are doing proprietary trading along with client Business and as such I/We have noted the same.
23. I/We specifically consented not to Indulge into any off-market transactions leading to dubba-trading.
24. I/We have also noted the details of your compliance officer including your designated E-mail ID for complain/ grievances redressal.
25. I/We shall not indulge in any sub-broking activities nor issue bills/contracts/confirmation notes to anyone else for trades

done in our client code without obtaining SEBI or Exchange Registration in my/our name.

26. I/We as your client agrees that you (stock broker), shall not be liable or responsible for non execution of orders placed through trading terminals / website or through any other mode due to the failure of any system or link out side your control or any other reason whatsoever or for non-performance of your obligations due to any reason whatsoever including but not limited to natural calamities or civil commotion, war, strikes, government/regulatory action, exchange or market rulings, suspension of trading. I / We are aware and agree that you (stock broker) also reserves the right of refusing to execute any particular transaction in your absolute discretion if you found the same to be vocative to any provisions or is/are not in consonance with your RMS policy.
27. I/We as your client agrees that any failure by you as a Stock Broker to exercise or enforce any rights conferred upon you by this document/or as per KYC document executed between us, shall not be deemed to be a waiver of any such rights or operate so as to bar the exercise or enforcement thereof at any subsequent time or times.
28. I/We, as a Client shall be responsible for all orders, including orders that may be executed without the required margin, whether or not you as a Stock Broker intimated me/us about such shortfall in margin, shall instantaneously make up the shortfall either through delivery of shares in the event of sale or credit the required fund in the bank account via personal cheque or money order or account transfer or any other mode accepted to you as per your RMS policy from time to time.
29. I/We as a client, hereby agrees and indemnifies, and shall always keep you (Stock Broker) indemnified against all such action and/or claims, costs, charges damages, losses and expenses which may be incurred, suffered and/or sustained by you (Stock Broker) due to my/our mistake or non-compliance of any rules, regulations, circulars or other provisions or with respect to any third party cheque(s) and/or delivery of shares, which may be given by me/us as your client to be credited in my/our account as your client.
30. I/We as your client do hereby agrees with respect to Compliance with prevention of money laundering act, 2002 (PMLA), as amended till date and from time to time and rules, regulation and guidelines framed hereunder and confirms that all the information which may be required by you (stock broker) to enable you to comply with the provisions of the PMLA and the rules, regulation and guidelines framed there under has been disclosed including issues related to "beneficial ownership", if any and also undertakes to promptly provide the same on an on-going basis whenever required. As also I/We hereby agree to keep you (Stock Broker) informed of any change in the information earlier provided in/through Know Your Client Form or otherwise in this regard immediately in writing.
31. All fines/penalties and charges, exemplary damages etc. levied upon you due to my/our acts/deeds or transactions including illegal acts or unfair trade practices etc. as may be levied by the Exchanged)-and suffered by the Member, shall be passed on to me/us and recovered by you from my/our account either by way of debiting the same or otherwise.
32. Close out in case of internal shortage : I/We, your Client hereby agrees that if I/We have short delivered any securities against my/our pay-in obligations which resulted into internal shortage i.e. buys position of another client of the stock broker and couldn't be auctioned in the market than close out price @ ___% or such other percentage being generally applied by the Stock Broker for other clients, above the closing price on the Auction Day or Closing price of first trading day of the settlement whichever is higher. I/We further specifically agrees that without prejudice to the Member's other rights including the right to refer a matter to arbitration, the member shall be entitled to liquidate/close out all or any of my/our open position. Any and all losses, financial charges and/or incidental expenses incurred by the member on account of such liquidation/closing out shall be reimbursed by me/us or deductible by the member from the monies and/or colletaral margin of mine/ours, brokerage of the sub-broker available with the member.
33. I/We consent to adjust debit/credit balances in between my/our various accounts viz. F&O Initial/Upfront Margin Account, F&O MTOM Account, CM Segment Account, Margin Account or such other accounts maintained with you pursuant to opening of this trading codes with you. The same can be done in your books of accounts by passing JV Entries or in such other manner as may be permissible.
34. Sharing of Information : I/We agree to immediately furnish information to the member in oral/writing or the member suo-moto (on its own) in receipt of such information in the event that is likely to have an adverse effect of my/our financial position or any restrictions or adverse findings or actions, if any, by any statutory authority. Upon receipt of such information, the member shall be entitled to take such action as it may consider necessary in order to protect its own interest, including without limitation, liquidation/closing out all/any outstanding positions of mine/ours. Any and all losses, financial charges and/or incidental expenses incurred by the member on account of such liquidation/closing out shall be make good or reimbursed by me/us to the member.
35. Investment Advice: The Client acknowledges that the Member shall not be liable to provide him with any legal, tax, investment or accounting advice or advice regarding the suitability or profitability of a security or investment. The Client also acknowledges that the Member's Employees are not authorized to give any such advice and that the Client will not solicit or rely upon any advice from member or any of its employees. The Client agrees that in the event of the Member or

any employee or official of the member providing any information or assurance to the client, he/she/it may act upon the same at sole risks, costs and consequences and the member shall not be liable/responsible for the same. If Client, at any point of time, come across any such Person(s) stating that he/she is associated with KIFS and commits a'nny assurance/guarantee about any return/Profit/interest, client agrees to immediately notify about the same to the Compliance officer of KIFS by mail/letter/telephone/fax before entering into any transaction(s)with such person(s). The client further agrees to always keep himself/herself/itself abreast of all requirements to be complied with by him/her/it under various laws including Foreign Exchange Management Act (FEMA), 1999 wherever applicable and the rules, regulations, directions, circulars, notifications, guidelines etc. issued under or pursuant to the relevant laws from time to time.

36. The Client shall not hold KIFS responsible for any losses incurred on account of failure of System/Risk Management System/Network Congestion/Loss of Connectivity from Dealing Office / Place to KIFS Group or from KIFS Group to the Exchange.

37. Restrictions on Regulation of Dealings: The Stock Broker shall at its discretion decide, from time to time, the volume of business which the Client (introduced directly or by the sub-broker or authorised person) may transact during any trading day on NSE/BSE/ exchangewise or segmentwise or in combine. Notwithstanding such as an understanding/arrangement, the Stock Broker shall have absolute discretion to reduce the volume of business of the Client or restrict dealings by the Client as per RMS policy from time to time, inter-alia, having regard to: (i) to the volatility in the market; (ii) in view of impending price sensitive announcements; (iii) any restrictions in relation to volume of trading/outstanding business/margins stipulated by the Exchange/Stock Broker, political instability in the Country etc ; (iv) presence of any other price sensitive factors ; (v) failure by the Client to provide/maintain the applicable collateral/margin; and/or (vi) delays by the Client in meeting his/her/its obligation/dues relating to the business/dealings done under this present.(vii) such other factor as per prevalent RMS policy form time to time.

38. REPRESENTATIONS AND WARRANTIES:

(1) I/We agree that I/We have the required legal capacity and am/are authorized to enter into agreement and am/are capable of performing my/our obligations and undertakings pursuant to this KYC Form submission and allotment of Client Code by the Stock Broker/KIFS.

(2) Any instructions given by my/our Authorised representative to you -the Stock broker or to Stock Broker's representative, shall be binding on me/us.

(3) I/We specifically agree and confirm that all details about me/us as may be provided vide this KYC form are true and correct and complete in all respect as per my/our knowledge and belief. I/We hereby give this declaration to you without any coercion, with sound mind and voluntarily to you which shall be part of my Client Registration Form and In case any information/details found to be false/untrue/misleading/misrepresenting, I am/We are aware that I/We may held liable for it.

39. I/We do hereby acknowledges that I/We shall not enter into any BTST (Buy today - sell Tomorrow) transactions as it may involve default/shortage in pay-in/pay-out of securities at member's internal level as well as exchange level, and in such case, including cases of internal/external (exchange) shortages, I/We shall not make broker responsible and I/We shall accept the procedure as per RMS policy/otherwise applicable/implemented at Broker which is universal across all clients of broker. However in order to avoid such instances, I/we shall be duly bound to check my demat A/c balances/ free securities and ensure that I am/we are holding securities before I/we sell. I/we shall not make broker responsible for any such transactions done at my/our own will/default.

40. I/We do hereby acknowledges/confirm that I/We have visited/will visit website of respective Stock Exchange(s) before carrying any transaction, more particularly for investor's education/awareness portion inter-alia. (I) Investor Rights and obligation (ii) Trade verification window/section (iii) Settlement schedules (iv) Guide for investors (v)FAQs Portion (vi) Dealing with Brokers and sub-brokers etc.

so as to make me/us aware/understand as well as comply about the same. My/our failure or ignorance shall not be a reason for dispute at any forum.

I/We understand and am/are aware that the aforesaid consents are purely voluntary and have been given to you for smoother operations of my/our client account with you as our broker. Further, these standing instructions are valid from the date the client/trading account is opened with you and will be valid and operational until revoked by me/us.

[NOTE : You can strike-off all/any of the above clause(s) if not agreed by you, before signing this document.]

Client's Signature 

Date :

(In case non-individual, sign. With rubber stamp)

(dd/mm/yyyy)

VOLUNTARY DOCUMENT - 3

BASIC INFORMATION ABOUT AML MEASURES FOR GENERAL GUIDANCE OF CLIENTS :

Background:

In response to mounting concern over money laundering world wide, G-7 summit as held in Paris in the year 1989, a policy making body having Secretariat Organisation for Economic Co-operation and Development (OECD) was established, to work for generating necessary political will / willingness to bring about national legislative and regulatory reforms to combat money laundering and terrorist financing.

World Bank and International Monetary Fund (IMF) have also established a collaborative framework in with Financial Action Task Force (FATF) in this regard. Our country (India) is also one of the member and has been accorded "Observer" status.

Objectives;

The brief objectives of these provisions is to establish general framework for the fight against money laundering, terrorism, financial crimes and corruption.

- ⊘ Ensuring that financial institutions are not vulnerable to infiltration or abuse by organized crime groups.
- ⊘ Building capacity to fight terrorism and trace terrorist money.
- ⊘ Meeting binding international obligations and avoiding the risk of sanctions or other actions by the international community.
- ⊘ Avoid becoming heaven for criminals.
- ⊘ Securing a more transparent and stable financial system that is attractive to foreign investors.

What is Money Laundering ?

- ⊘ To concealing or hiding financial assets with a view to use it without detection of its source that is illegal activity which produced it.
- ⊘ Through money laundering, the launder transforms the monetary proceeds derived from criminal activity into funds with an apparent legal source.
- ⊘ It is the process by which criminals try to hide and disguise the true source / origin and ownership of proceeds of their illegal/criminal activities.
- ⊘ It may be conversion of illegally earned income in to another form so that it appears as a legitimate income.
- ⊘ The term "Money Laundering" is also used in relation to financing of terrorist activity (where funds may/may not originate from crime).
- ⊘ It is a medium through which dirty money insert in the financial system and make such money look clean.
- ⊘ Money is circulated around the financial system in such a way that its ancestry gets hidden.

Activities that can be considered as illegal/Criminal Activity:

- | | | |
|--------------|---------------|------------------------------|
| ⊘ Corruption | ⊘ Bribery | ⊘ Counterfeiting and Forgery |
| ⊘ Smuggling | ⊘ Extortion, | ⊘ Prostitution |
| ⊘ Gambling | ⊘ Robbery | ⊘ Fraud |
| ⊘ Kidnapping | ⊘ Tax Evasion | ⊘ Drug Trafficking |

Various stages of Money Laundering:

I. **Placement:** It is a initial stage in which money from criminal activities is placed in financial institution. It may be through various methods viz. arranging or breaking up currency transactions in to portion which falls below reporting threshold for specific purpose to avoid reporting requirements.

II. **Layering :** It is a process of conducting a complex series of financial transactions with a purpose of hiding origin of money and hindering any attempt to trace the funds. It may include multiple trades for security, Purchase of financial product such as Life Insurance or purchase of legitimate businesses.

iii. **Integration:** Last and final stage in the re-injection of the laundered proceeds back in to the economy in such a way that they re-enter the financial system as normal business funds.

Consequences of Money Laundering:

- | | |
|---|--|
| ⊘ Finances terrorism | ⊘ Encourage crime |
| ⊘ Endangers society at large | ⊘ Weakening of macro economic factors of country |
| ⊘ Affects the integrity of the financial system | ⊘ Government control on economy reduces |
| ⊘ Weakening of Law & Order | |

Indian Framework:

India has also framed, "The Prevention of Money Laundering Act, 2002" (PMLA) which came into effect w.e.f. 01.07.2005. A separate Foreign Intelligence Unit (FIU) is also established as a central monitoring agency/central repository to combat Money Laundering. Necessary notifications / rules / guidelines/circulars/recommendations etc. are also issued and being issued by

various regulatory authorities including SEBI from time to time.

Applicability of PMLA:

The provisions of the Act are applicable to Banking Company, Financial Institution and Intermediary (which includes, stock broker, sub-broker, share transfer agents, portfolio manager and other intermediaries associated with Securities Market and registered under section 12 of SEBI Act, 1992.)

All the aforesaid entities have to maintain a record of all the transactions, its nature and value involved. Such transactions shall include:

- (a) All cash transactions > Rs. 10.00 lacs or its equivalent in foreign currency
- (b) All integrally connected series of cash transactions < Rs. 10.00 lacs or its equivalent in foreign currency within one calendar month
- (c) All suspicious transactions

Suspicious Transactions : Means a transaction, whether or not, made in cash which, to a person acting in good faith.

- (a) Gives a rise to a reasonable ground of suspicion that it may involve the proceeds of crime
- (b) Identity verification or address seems difficult or found to be forged/false
- (c) Gives rise to a reasonable ground of suspicion that it may involve financing of the activities relating to terrorism.
- (d) Unusual and unexplained large value of transaction
- (e) Unusual and unexplained activity in dormant accounts\
- (f) Transfer of large sums of money to /from overseas locations.
- (g) Appears to be made in circumstances of unusual or unjustified complexity
- (h) Appears to have no economic rationale or bonafide purpose.
- (i) Asset Management services where the source of the funds is not clear or not in keeping with apparent standing/business activity.

Obligation of the Customer/Clients :

Always provide complete and correct details during account opening process like:

- ✓ Address Proof
- ✓ Identity Proof
- ✓ PAN
- ✓ Income Details

Periodically update your :

- ✓ Contact details
- ✓ Financial details
- ✓ Occupational details

The transactions executed should be commensurate with the disclosed income details.

Provide requested explanations/details for suspicious transactions.

Ramifications /Consequences /Implications:

- (a) Money Launderer faces steep fines of double the amount of financial transaction, along with forfeiture of assets associated with laundered funds.
- (b) Whoever commits the offence of money laundering shall be punishable with rigorous imprisonment for a minimum term of 3 years extendable to 7 or 10 years and shall also be liable to fine which may extend to 5.00 lacs rupees.
- (c) Any kind of association with a criminal element can severely damage the reputation. It is in the best interests to keep names free of any criminal association.
- (d) Protect reputation by being informed about anti-money laundering rules and regulations,
- (e) If anybody sees activity that may indicate money laundering, report it to the Director, FIU India, 6th Floor, Hotel Samrat, Chanakyapuri, New Delhi -110021.

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I / We have read and understood the aforesaid AML literature and in token of acceptance of the same, do hereunto put our signature.

Client's Signature  _____

Date : _____
(dd/mm/yyyy)

KIFS TRADE CAPITAL PVT. LTD.	
Detail of GSTIN	
FOR STATE	GSTIN
FOR GUJARAT	24AADCE2051P1ZN
FOR RAJASTHAN	08AADCE2051P1ZH
FOR MAHARASHTRA	27AADCE2051P1ZH
FOR ANDHRA PRADESH	37AADCE2051P1ZG
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