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# Client Registration Form INDIVIDUAL / NON INDIVIDUAL

Name of Client \_\_\_\_\_

Client Code \_\_\_\_\_ Branch \_\_\_\_\_



# Part - A

## ACCOUNT OPENING KIT INDEX

Sr.	Name of the Document	Brief Significance of the Document	Part	Page No From To
<b>MANDATORY DOCUMENTS AS PRESCRIBED BY SEBI &amp; EXCHANGES</b>				
1	Account Opening Form	A. KYC form - Document captures the basic information about the constituent and an instruction/check list.	A	
		B. Document captures the additional information about the constituent relevant to trading account and an instruction/check list.	A	
2	Rights and Obligations	Document stating the Rights & Obligations of stock broker/trading member, sub-broker and client for trading on exchanges (including additional rights & obligations in case of internet/wireless technology based trading).	B	
3	Risk Disclosure Document (RDD)	Document detailing risks associated with dealing in the securities market.	B	
4	Guidance Note	Document detailing do's and don'ts for trading on exchange, for the education of the investors.	B	
5	Policies and Procedures	Document describing significant policies and procedures of the stock broker.	B	
6	Tariff Schedule	Document detailing the rate/amount of brokerage and other charges levied on the client for trading on the stock exchange(s).	A	
7	Acknowledgement letter	Acknowledgement indicating receipt of documents by client.	A	
<b>VOLUNTARY DOCUMENTS AS PROVIDED BY THE STOCK BROKER</b>				
8	Authorization for running account / request letter	Letter of authority / request to Finquest Securities Limited	A	
9	Rights and Obligations	Additional clauses forming part and parcel of of mandatory Rights and Obligations.	B	
10	Intimation of Money Laundering	This Documents is to make the client aware of Anti Money Laundering (AML) provisions.	B	
11	Letter of Appointment and Acceptance	This document allows the client to give authority for placing / giving / executing orders on his / her behalf to another person and acceptance of the same by another person.	A	

<b>Name of Stock Broker/ Trading Member</b>	FINQUEST SECURITIES PVT. LTD.
<b>SEBI Regn. No. NSE</b>	INB/F/E/231236531
<b>SEBI Regn. No. BSE</b>	INB011236537
<b>SEBI Regn. No. MCX-SX</b>	INE261236531
<b>Sell Clearing Member-NSE Derivative</b>	
<b>Registered Office</b>	602 Boston House, Next to Cinemax, Suren Road, Andheri (E), Mumbai 93. Tel.: 91-22-4000 2600 Fax: 91-22-4000 2605 Email: info@finquestonline.com Website: www.finquestonline.com

<b>Clearing Member Name (Currency Derivative Segment)</b>	IL&FS Securities Services Ltd.
<b>SEBI Registration No.</b>	INE231308334
<b>Address</b>	Raheja Vihar, Chandivali, Andheri (E), Mumbai - 400 072.
<b>Correspondence office address</b>	602 Boston House, Next to Cinemax, Suren Road, Andheri (E), Mumbai 93.
<b>Compliance officer Name</b>	Deepak Chavda, E-mail : dchavda@finquestonline.com, Tel. : 022-4000 2600
<b>Managing Director Name</b>	Hardik B. Patel, E-mail : hpatel@finquestonline.com, Tel. : 022-4000 2600

For any grievance/dispute please contact us at the above address or [grievances@finquestonline.com](mailto:grievances@finquestonline.com) and Tel No. 91-22-4000 2600. In case not satisfied with the response, please contact the Investor Service Cell of Bombay Stock Exchange Limited at [is@bseindia.com](mailto:is@bseindia.com) and Tel. No. 91-22-22728097 and/or Investor Service Cell of National Stock Exchange of India Limited at [ignse@nseindia.co.in](mailto:ignse@nseindia.co.in) and Tel. No. 91-22-26598190.

# INSTRUCTIONS/CHECK LIST FOR FILLING KYC FORM

## A. Important Points

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

## B. Proof of Identity (POI): - List of documents admissible as Proof of Identity

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

## C. Proof of Address (POA): - List of documents admissible as Proof of Address

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

1. Passport/ Voters Identity Card/ Ration Card/ Registered Lease or Sale Agreement of Residence/ Driving License/ Flat Maintenance bill/ Insurance Copy.

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

#### **D. Exemptions/clarifications to PAN**

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

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

#### **E. List of people authorized to attest the documents**

1. Notary Public, Gazetted Officer, Manager of a Scheduled Commercial/ Co-operative Bank or Multinational Foreign Banks (Name, Designation & Seal should be affixed on the copy).
2. In case of NRIs, authorized officials of overseas branches of Scheduled Commercial Banks registered in India, Notary Public, Court Magistrate, Judge, Indian Embassy /Consulate General in the country where the client resides are permitted to attest the documents.

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

<b>Types of entity</b>	<b>Documentary requirements</b>
<b>Corporate</b>	<ul style="list-style-type: none"> <li>● Copy of the balance sheets for the last 2 financial years (to be submitted every year).</li> <li>● Copy of latest share holding pattern including list of all those holding control, either directly or indirectly, in the company in terms of SEBI takeover Regulations, duly certified by the company secretary/Whole time director/MD (to be submitted every year).</li> <li>● Photograph, POI, POA, PAN and DIN numbers of whole time directors/two directors in charge of day to day operations.</li> <li>● Photograph, POI, POA, PAN of individual promoters holding control - either directly or indirectly.</li> <li>● Copies of the Memorandum and Articles of Association and certificate of incorporation.</li> <li>● Copy of the Board Resolution for investment in securities market.</li> <li>● Authorised signatories list with specimen signatures.</li> </ul>
<b>Partnership firm</b>	<ul style="list-style-type: none"> <li>● Copy of the balance sheets for the last 2 financial years (to be submitted every year).</li> <li>● Certificate of registration (for registered partnership firms only).</li> <li>● Copy of partnership deed.</li> <li>● Authorised signatories list with specimen signatures.</li> <li>● Photograph, POI, POA, PAN of Partners.</li> </ul>
<b>Trust</b>	<ul style="list-style-type: none"> <li>● Copy of the balance sheets for the last 2 financial years (to be submitted every year).</li> <li>● Certificate of registration (for registered trust only).</li> <li>● Copy of Trust deed.</li> <li>● List of trustees certified by managing trustees/CA.</li> <li>● Photograph, POI, POA, PAN of Trustees.</li> </ul>
<b>HUF</b>	<ul style="list-style-type: none"> <li>● PAN of HUF.</li> <li>● Deed of declaration of HUF/ List of coparceners.</li> <li>● Bank pass-book/bank statement in the name of HUF.</li> <li>● Photograph, POI, POA, PAN of Karta.</li> </ul>
<b>Unincorporated association or a body of individuals</b>	<ul style="list-style-type: none"> <li>● Proof of Existence/Constitution document.</li> <li>● Resolution of the managing body &amp; Power of Attorney granted to transact business on its behalf.</li> <li>● Authorized signatories list with specimen signatures.</li> </ul>
<b>Banks / Institutional Investors</b>	<ul style="list-style-type: none"> <li>● Copy of the constitution/registration or annual report/balance sheet for the last 2 financial years.</li> <li>● Authorized signatories list with specimen signatures.</li> </ul>

Types of entity	Documentary requirements
<b>Foreign Institutional Investors (FII)</b>	<ul style="list-style-type: none"> <li>• Copy of SEBI registration certificate.</li> <li>• Authorized signatories list with specimen signatures.</li> </ul>
<b>Army / Government Bodies</b>	<ul style="list-style-type: none"> <li>• Self-certification on letterhead.</li> <li>• Authorized signatories list with specimen signatures.</li> </ul>
<b>Registered Society</b>	<ul style="list-style-type: none"> <li>• Copy of Registration Certificate under Societies Registration Act.</li> <li>• List of Managing Committee members.</li> <li>• Committee resolution for persons authorised to act as authorised signatories with specimen signatures.</li> <li>• True copy of Society Rules and Bye Laws certified by the Chairman/ Secretary.</li> </ul>

**G. Additional documents in case of trading in derivatives segments - illustrative list**

Copy of ITR Acknowledgement	Copy of Annual Accounts
In case of salary income - Salary Slip, Copy of Form 16	Net worth certificate
Copy of demat account holding statement.	Bank account statement for last 6 months
Any other relevant documents substantiating ownership of assets.	Self declaration with relevant supporting documents.

*\*In respect of other clients, documents as per risk management policy of the stock broker need to be provided by the client from time to time.*

**H. Copy of cancelled cheque leaf/ pass book/bank statement specifying name of the constituent, MICR Code and IFSC Code of the bank should be submitted.**

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

**J For individuals**

- Stock broker has an option of doing 'in-person' verification through web camera at the branch office of the stock broker/sub-broker's office.
- In case of non-resident clients, employees at the stock broker's local office, overseas can do in-person' verification. Further, considering the infeasibility of carrying out 'In-person' verification of the non-resident clients by the stock broker's staff, attestation of KYC documents by Notary Public, Court, Magistrate, Judge, Local Banker, Indian Embassy / Consulate General in the country where the client resides may be permitted.

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**KNOW YOUR CLIENT (KYC) APPLICATION FORM (FOR INDIVIDUAL)**

Please fill this form in English and in Block Letters

 Please affix  
 your recent  
 passport size  
 photograph  
 and sign  
 across it

A. IDENTITY DETAILS													
Name of the Applicant													
		First Name			Middle Name			Last Name					
Father's / Spouse Name													
		First Name			Middle Name			Last Name					
Gender :		<input type="checkbox"/> Male <input type="checkbox"/> Female		Marital Status :		<input type="checkbox"/> Married <input type="checkbox"/> Single		Date of Birth		D D M M Y Y Y Y			
Nationality		Status: <input type="checkbox"/> Resident Individual <input type="checkbox"/> Non Resident <input type="checkbox"/> Foreign National											
PAN		Unique ID No. /Aadhaar											
Specify the proof of identity submitted :													
B. ADDRESS DETAILS													
Correspondence Address :						Permanent Address if different from Correspondence or overseas address mandatory for Non-Resident Applicant)							
City		PIN		City		PIN		City		PIN			
State		Country		State		Country		State		Country			
Specify the proof submitted for Correspondence Address				Specify the proof submitted for Permanent Address									
C. CONTACT DETAILS													
Tel. Resi.			Tel. Of.			Fax							
Mobile			Email										
D. OTHER DETAILS													
Gross Annual Income Details (please specify): Income Range per annum: (Rs. in lacs)													
<input type="checkbox"/> Below 1		<input type="checkbox"/> 1 to 5		<input type="checkbox"/> 5 to 10		<input type="checkbox"/> 10 to 25		<input type="checkbox"/> Above 25					
OR													
Net-worth as on date		Rs. (Net worth should not be older than 1 year)											
Occupation (please tick any one and give brief details):		<input type="checkbox"/> Private Sector		<input type="checkbox"/> Public Sector		<input type="checkbox"/> Government Service		<input type="checkbox"/> Business		<input type="checkbox"/> Student			
		<input type="checkbox"/> Professional		<input type="checkbox"/> Agriculturist		<input type="checkbox"/> Retired		<input type="checkbox"/> Housewife		<input type="checkbox"/> Others			
Please tick, if applicable:		<input type="checkbox"/> Politically Exposed Person (PEP)		<input type="checkbox"/> Related to a Politically Exposed Person (PEP)									
Any other information :													

**DECLARATION**

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



Signature of the Applicant

Date D D M M Y Y Y Y

**FOR OFFICE USE ONLY**
 (Originals verified) True copies of documents received  (Self-Attested) Self Certified Document copies received

(A)

(Signature of the Authorised Signatory)

Date \_\_\_\_\_

Seal/Stamp of the intermediary

**KNOW YOUR CLIENT (KYC) APPLICATION FORM (FOR NON INDIVIDUAL)**

Please fill this form in English and in Block Letters

Please affix your recent passport size photograph and sign across it <sup>1</sup>

A. IDENTITY DETAILS															
Name of the Applicant															
		First Name			Middle Name			Last Name							
Date of Incorporation		D	D	M	M	Y	Y	Y	Y						
Place of Incorporation				Date of Commencement of business				D	D	M	M	Y	Y	Y	Y
PAN		Registration No. (e.g. CIN)													
Status		<input type="checkbox"/> Private Limited Co.		<input type="checkbox"/> Public Ltd. Co.		<input type="checkbox"/> Body Corporate		<input type="checkbox"/> Partnership		<input type="checkbox"/> Trust		<input type="checkbox"/> Charities			
(Please tick any one)		<input type="checkbox"/> NGO's		<input type="checkbox"/> FI		<input type="checkbox"/> HUF		<input type="checkbox"/> AOP		<input type="checkbox"/> Bank		<input type="checkbox"/> Government Body		<input type="checkbox"/> Non-Government Organisation	
		<input type="checkbox"/> Defence Establishment		<input type="checkbox"/> BOI		<input type="checkbox"/> Society		<input type="checkbox"/> LLP		Others (please specify)					
B. ADDRESS DETAILS															
Correspondence Address :						Registered Address : If different from Correspondence address)									
City		PIN		City		PIN									
State		Country		State		Country									
Specify the proof submitted for Correspondence Address				Specify the proof submitted for Registered Address											
C. CONTACT DETAILS															
Tel. Off.			Tel. Resi.			Fax									
Mobile			Email												
D. OTHER DETAILS															
Gross Annual Income Details (please specify): Income Range per annum: (L = lacs and C = Crore)															
<input type="checkbox"/> Below 1L		<input type="checkbox"/> 1L to 5L		<input type="checkbox"/> 5L to 10L		<input type="checkbox"/> 10L to 25L		<input type="checkbox"/> 25L to 1C		<input type="checkbox"/> Above 1C					
Net-worth as on date		D		D	M	M	Y	Y	Y	Y	Rs. (Net worth should be older than 1 year)				
Name, PAN, residential address and photograph's of the promoters / partners / karta / trustees and whole time Directors															
DIN/UDI of promoters / partners / karta and whole time Directors															
Please tick if applicable for any of your authorized signatories / promoters / partners / karta / yrustee / whole time director															
<input type="checkbox"/> Politically Exposed Person (PEP)						<input type="checkbox"/> Related to a Politically Exposed Person (PEP)									
Any other information :															

**DECLARATION**

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

2

Name & Signature of the Authorised Signatory Date 

D	D	M	M	Y	Y	Y	Y
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**FOR OFFICE USE ONLY**

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

(A) \_\_\_\_\_  
(Signature of the Authorised Signatory)

Date \_\_\_\_\_

Seal/Stamp of the intermediary

### TRADING ACCOUNT RELATED DETAILS

#### E. BANK ACCOUNT(S) DETAILS

Bank Name		
Branch Address		
Bank Account No.		
Account Type	Savings/Current / Others - in case of NRE/NRO	Savings/Current / Others - in case of NRE/NRO
MICR No.		
IFSC Code		
Please provide cancelled cheque leaf for MICR & IFSC Code		

#### F. DEPOSITORY ACCOUNT(S) DETAILS

DP Name		
DP ID		
Client ID		
Depository	NSDL / CDSL	NSDL / CDSL
DP Address		

#### G. TRADING PREFERENCE

\*Please sign in the relevant boxes where you wish to trade. The segment not chosen should be struck off by the client.

Exchange Segment	NSE	BSE	MCX-SX
Cash	<input type="checkbox"/>	<input type="checkbox"/>	N. A.
F & O	<input type="checkbox"/>	<input type="checkbox"/>	N. A.
Currency Derivatives	<input type="checkbox"/>	N. A.	<input type="checkbox"/>
Mutual Fund	<input type="checkbox"/>	<input type="checkbox"/>	N. A.
Debt Market	<input type="checkbox"/>	<input type="checkbox"/>	N. A.

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


#### H. PAST ACTIONS

Details of any action/proceedings initiated/pending/ taken by SEBI/ Stock exchange/any other authority against the applicant/constituent or its Partners/promoters/whole time directors/authorized persons in charge of dealing in securities during the last 3 years:	
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#### I. DEALINGS THROUGH SUB-BROKERS AND OTHER STOCK BROKERS

If client is dealing through the sub-broker, provide the following details:

Sub-broker's Name:			
Registered ofce address:		NSE SEBI Regn. No.:	
		BSE SEBI Regn. No.:	
		Tel.:	
		Fax:	
		Website :	
Whether dealing with any other stock broker/sub-broker(in case dealing with multiple stock brokers/sub-brokers, provide details)			
Name of stock broker:		Name of Sub-Broker, if any:	
Client Code:		Exchange:	
Details of disputes/dues pending from/to such stock broker/sub- broker:			

 \_\_\_\_\_  
 Signature of the Applicant

**J. ADDITIONAL DETAILS**

• Whether you wish to receive physical contract note or Electronic Contract Note (ECN) (please specify):	<input type="checkbox"/> Electronic Contract Note <input type="checkbox"/> Physical
• Specify your Email id, if applicable: Primary email Id	
Secondary email Id	
• Whether you wish to avail of the facility of internet trading/ wireless technology (please specify):	<input type="checkbox"/> Yes <input type="checkbox"/> No
• Number of years of Investment/Trading Experience:	
• Any other information:	

**K. INTRODUCER DETAILS (optional)**

Name of the Introducer	
Status of the Introducer:	<input type="checkbox"/> Sub-broker <input type="checkbox"/> Remisier <input type="checkbox"/> Authorized Person <input type="checkbox"/> Existing Client <input type="checkbox"/> Others please specify _____
Address and Tel No of the Introducer	
Introducer's Signature	(I)

**L. NOMINATION DETAILS ( for Individuals only)**

<input type="checkbox"/> I wish to nominate	<input type="checkbox"/> I do not wish to nominate
Name of the Nominee	Relationship with the Nominee
PAN of Nominee	Date of Birth of Nominee
Address and Tel. No. of the nominee	D D M M Y Y Y Y
If Nominee is a minor, details of guardian:	
Name of guardian:	
Address and phone no. of Guardian:	
Signature of guardian	(G)

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

Name		Name	
Address		Address	
Signature	(W)	Signature	(W)

**DECLARATION**

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

Place \_\_\_\_\_

Date \_\_\_\_\_


 \_\_\_\_\_  
 Signature of the Applicant

FOR OFFICE USE ONLY

Unique Client Code (UCC) allotted to the Client: \_\_\_\_\_

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

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

\_\_\_\_\_  
(Signature of the Authorised Signatory)

Date \_\_\_\_\_

Seal/Stamp of Finquest Securities Pvt. Ltd.



**VOLUNTARY**

Date :

Finquest Securities Pvt. Ltd.  
Registered Office: 602 Boston House,  
Next to Cinemax, Suren Road,  
Andheri (E), Mumbai 93.

Dear Sir,

**Sub.- Letter of Authority / Request to Finquest Securities (P) Ltd.**

I, the undersigned, have opened the client / constituent account with Finquest Securities (P) Ltd. (herein referred to as "FINQUEST") for trading / dealing in securities on the Bombay Stock Exchange Limited (BSE) and / or National Stock Exchange of India Limited (NSE). In respect of my dealing / account with you, I hereby request / instruct and authorize FINQUEST to do the followings:

1. To accept verbal instructions for placement / modification / cancellation of orders. Further, I expressly agree that once the trade confirmation is sent by you and/or contract note is accepted by me, there shall be no question in relation to execution or non-execution or inappropriate execution of any of my orders for a particular trading day.
2. To maintain a running account instead of settlement of my dues and/or delivery of securities on a bill-to-bill / settlement-to-settlement basis.
3. To retain the securities received by FINQUEST on my behalf from Exchange(s) on pay-out or otherwise against my debit balance/ dues/ exposure/ trading limits/ open interest/ various margins or for any other purpose as and when required by FINQUEST or as per any regulations of BSE and/ or NSE. Such retaining / holding of securities shall be construed as due compliance of the requirement of exchange(s) and SEBI. Further, FINQUEST has the sole discretion and authority (i) to use / Transfer the above securities to the clearing corporation/ clearing member/ exchange(s) for the purpose of early pay-in / margin or for any other purpose; (ii) to dispose/ sell the above securities to meet any monetary / other dues/obligation(s) not fulfilled by me towards FINQUEST/ the exchange(s).
4. To hold payout of funds / credit in my account and pay to me only to the extent demanded by me. To use/ adjust the credit balance available from time to time in my account(s) for my exposure/ trading limits/ margin requirements / other dues.
5. However, I prefer to settle the account on following basis:-
 

Quarterly		Monthly	
-----------	--	---------	--
6. To debit/credit/ transfer of amounts, either on same Exchange and / or between various segments of the same exchange and / or between the exchanges across various segment to meet my debit balance or various dues payable to FINQUEST / Exchanges.
7. To transfer credit / debit balance from mark to mark to market and/or premium account to margin account and vice versa.
8. All the instructions / requests placed by me on FINQUEST website by using login and Password shall be always binding upon me.
9. I hereby agree to receive through telephone calls / SMS on my mobile number / email ID as registered by me with FINQUEST, the messages / communications relating to transactions, PIN, passwords, stock ideas , real time news pertaining to market, updates on stock prices and any other messages (including products and services) as sent by FINQUEST and or its associates from time to time.

Further, I reserve my right to withdraw the above instructions at any time. In such event, I undertake to inform you in writing and such communication shall be addressed to the above address.

Client's Signature : \_\_\_\_\_

Name of the Client :



# MANDATORY

## ACKNOWLEDGEMENT

Date :

Finquest Securities Pvt. Ltd.  
Registered Office: 602 Boston House,  
Next to Cinemax, Suren Road,  
Andheri (E), Mumbai 93.

Dear Sir,

This has reference to necessary Know Your Client Form containing basic information, additional information and other documents executed by me. I hereby acknowledge receipt of following documents from you:-

1. Documents containing mandatory Rights & Obligations of stock broker, sub-broker and client for trading on exchanges (including additional rights & obligations in case of internet / wireless technology based trading).
2. Documents containing voluntary Rights & Obligations of stock broker, sub-broker and client forming part of documents as mentioned in clause 1 above.
3. Risk Disclosure Documents.
4. Document detailing do's and don'ts for trading on exchange, for the education of the investors.
5. Policy and Procedures document.

I state that I have read and understood all above documents and these documents are binding upon me.

Thanking you,

Client's Signature : \_\_\_\_\_

Name of the Client : \_\_\_\_\_

Client Code : \_\_\_\_\_

# VOLUNTARY

Date :

Finquest Securities Pvt. Ltd.  
Registered Office: 602 Boston House,  
Next to Cinemax, Suren Road,  
Andheri (E), Mumbai 93.

Dear Sir,

## Sub.- Letter of Authority / Request to Finquest Securities (P) Ltd.

I, the undersigned, have opened the client / constituent account with Finquest Securities (P) Ltd. (herein referred to as "FINQUEST") for trading / dealing in securities on the Bombay Stock Exchange Limited (BSE) and / or National Stock Exchange of India Limited (NSE). In respect of my dealing / account with you, I hereby request / instruct and authorize FINQUEST to do the followings:

1. To accept verbal instructions for placement / modification / cancellation of orders. Further, I expressly agree that once the trade confirmation is sent by you and/or contract note is accepted by me, there shall be no question in relation to execution or non-execution or inappropriate execution of any of my orders for a particular trading day.
2. To maintain a running account instead of settlement of my dues and/or delivery of securities on a bill-to-bill / settlement-to-settlement basis.
3. To retain the securities received by FINQUEST on my behalf from Exchange(s) on pay-out or otherwise against my debit balance/ dues/ exposure/ trading limits/ open interest/ various margins or for any other purpose as and when required by FINQUEST or as per any regulations of BSE and/ or NSE. Such retaining / holding of securities shall be construed as due compliance of the requirement of exchange(s) and SEBI. Further, FINQUEST has the sole discretion and authority (i) to use / Transfer the above securities to the clearing corporation/ clearing member/ exchange(s) for the purpose of early pay-in / margin or for any other purpose; (ii) to dispose/ sell the above securities to meet any monetary / other dues/obligation(s) not fulfilled by me towards FINQUEST/ the exchange(s). Account with credit balances of Rs 10000/- or lesser shall be retained as per SEBI and Exchange guidelines and provisions.
4. To hold payout of funds / credit in my account and pay to me only to the extent demanded by me. To use/ adjust the credit balance available from time to time in my account(s) for my exposure/ trading limits/ margin requirements / other dues.
5. However, I prefer to settle the account on following basis:-

Quarterly		Monthly	
-----------	--	---------	--

6. To debit/credit/ transfer of amounts, either on same Exchange and / or between various segments of the same exchange and / or between the exchanges across various segment to meet my debit balance or various dues payable to FINQUEST / Exchanges.
7. To transfer credit / debit balance from mark to mark to market and/or premium account to margin account and vice versa.
8. All the instructions / requests placed by me on FINQUEST website by using login and Password shall be always binding upon me.
9. I hereby agree to receive through telephone calls / SMS on my mobile number / email ID as registered by me with FINQUEST, the messages / communications relating to transactions, PIN, passwords, stock ideas , real time news pertaining to market, updates on stock prices and any other messages (including products and services) as sent by FINQUEST and or its associates from time to time.

Further, I reserve my right to withdraw the above instructions at any time. In such event, I undertake to inform you in writing and such communication shall be addressed to the above address.

Client's Signature : \_\_\_\_\_

Name of the Client : \_\_\_\_\_



# VOLUNTARY

Date :

Finquest Securities Pvt. Ltd.  
Registered Office: 602 Boston House,  
Next to Cinemax, Suren Road,  
Andheri (E), Mumbai 93.

Dear Sir/Madam,

**Sub.: Authority to place instructions**

**Ref.: My Client Code No.**

I have opened the client/constituent account with Finquest Securities Pvt. Ltd. (herein referred to as "FSPL") for trading/ dealing in securities on Bombay Stock Exchange Ltd. (BSE) and/or National Stock Exchange of India Limited (NSE) (hereinafter referred to as "the Exchanges").

In this regard, please note that I hereby appoint Mr / Ms \_\_\_\_\_

PAN: 

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 who shall be acting as "Authorised Person" on

my behalf for placing/giving/executing orders in my above client account with you. The buying/selling/execution of order or other instruction given on my behalf by the above said Authorised Person shall be binding on me. He/She can communicate with FSPL through telephone, email, fax, mobile, Short Messaging Service (SMS), messenger chat or any other mode/means of communication.

Please note that contract note, margin statement etc.. shall be sent to me only and fund/ securities will be received paid to/through my designated account with you only.

This Authorization remains in force till cancellation of the same by me or by "Authorised Person" whichever is earlier & Intimation of the same in writing to FSPL at its registered office address.

Thanking you



\_\_\_\_\_  
**Client's Signature**

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## **FINQUEST Securities (P) Ltd.**

602 Boston House, Next to Cinemax, Suren Road, Andheri (East) Mumbai 400 093.  
Tel.: 91-22-4000 2600 • Fax: 91-22-4000 2605 • Email: [info@finquestonline.com](mailto:info@finquestonline.com)  
Website: [www.finquestonline.com](http://www.finquestonline.com)

# Part - B

## ACCOUNT OPENING KIT INDEX

Sr.	Name of the Document	Brief Significance of the Document	Part	Page No From To
<b>MANDATORY DOCUMENTS AS PRESCRIBED BY SEBI &amp; EXCHANGES</b>				
1	Account Opening Form	A. KYC form - Document captures the basic information about the constituent and an instruction/check list.	A	
		B. Document captures the additional information about the constituent relevant to trading account and an instruction/check list.	A	
2	Rights and Obligations	Document stating the Rights & Obligations of stock broker/trading member, sub-broker and client for trading on exchanges (including additional rights & obligations in case of internet/wireless technology based trading).	B	
3	Risk Disclosure Document (RDD)	Document detailing risks associated with dealing in the securities market.	B	
4	Guidance Note	Document detailing do's and don'ts for trading on exchange, for the education of the investors.	B	
5	Policies and Procedures	Document describing significant policies and procedures of the stock broker.	B	
6	Tariff Schedule	Document detailing the rate/amount of brokerage and other charges levied on the client for trading on the stock exchange(s).	A	
7	Acknowledgement letter	Acknowledgement indicating receipt of documents by client.	A	
<b>VOLUNTARY DOCUMENTS AS PROVIDED BY THE STOCK BROKER</b>				
8	Authorization for running account / request letter	Letter of authority / request to Finquest Securities Limited	A	
9	Rights and Obligations	Additional clauses forming part and parcel of of mandatory Rights and Obligations.	B	
10	Intimation of Money Laundering	This Documents is to make the client aware of Anti Money Laundering (AML) provisions.	B	
11	Letter of Appointment and Acceptance	This document allows the client to give authority for placing / giving / executing orders on his / her behalf to another person and acceptance of the same by another person.	A	

<b>Name of Stock Broker/ Trading Member</b>	FINQUEST SECURITIES PVT. LTD.
<b>SEBI Regn. No. NSE</b>	INB/FE/0231236531
<b>SEBI Regn. No. BSE</b>	INB011236537
<b>SEBI Regn. No. MCX-SX</b>	INE261236531
<b>Sell Clearing Member-NSE Derivative</b>	
<b>Registered Office</b>	602 Boston House, Next to Cinemax, Suren Road, Andheri (E), Mumbai 93. Tel.: 91-22-4000 2600 Fax: 91-22-4000 2605 Email: info@finquestonline.com Website: www.finquestonline.com

<b>Clearing Member Name (Currency Derivative Segment)</b>	IL&FS Securities Services Ltd.
<b>SEBI Registration No.</b>	INE231308334
<b>Address</b>	Raheja Vihar, Chandivali, Andheri (E), Mumbai - 400 072.
<b>Correspondence office address</b>	602 Boston House, Next to Cinemax, Suren Road, Andheri (E), Mumbai 93.
<b>Compliance officer Name</b>	Deepak Chavda
<b>MD Name</b>	Hardik B. Patel

For any grievance/dispute please contact us at the above address or [grievances@finquestonline.com](mailto:grievances@finquestonline.com) and Tel No. 91-22-4000 2600. In case not satisfied with the response, please contact the Investor Service Cell of Bombay Stock Exchange Limited at [is@bseindia.com](mailto:is@bseindia.com) and Tel. No. 91-22-22728097 and/or Investor Service Cell of National Stock Exchange of India Limited at [ignse@nseindia.co.in](mailto:ignse@nseindia.co.in) and Tel. No. 91-22-26598190.

# MANDATORY

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

### CLIENT INFORMATION

## **TRANSACTIONS AND SETTLEMENTS**

13. The client shall give any order for buy or sell of a security/derivatives contract in writing or in such form or manner, as may be mutually agreed between the client and the stock broker. The stock broker shall ensure to place orders and execute the trades of the client, only in the Unique Client Code assigned to that client.
14. The stock broker shall inform the client and keep him apprised about trading/settlement cycles, delivery/payment schedules, any changes therein from time to time, and it shall be the responsibility in turn of the client to comply with such schedules/procedures of the relevant stock exchange where the trade is executed.
15. The stock broker shall ensure that the money/securities deposited by the client shall be kept in a separate account, distinct from his/its own account or account of any other client and shall not be used by the stock broker for himself/itself or for any other client or for any purpose other than the purposes mentioned in Rules, Regulations, circulars, notices, guidelines of SEBI and/or Rules, Regulations, Bye-laws, circulars and notices of Exchange.
16. Where the Exchange(s) cancels trade(s) suo moto all such trades including the trade/s done on behalf of the client shall ipso facto stand cancelled, stock broker shall be entitled to cancel the respective contract(s) with client(s).
17. The transactions executed on the Exchange are subject to Rules, Byelaws and Regulations and circulars/notices issued thereunder of the Exchanges where the trade is executed and all parties to such trade shall have submitted to the jurisdiction of such court as may be specified by the Byelaws and Regulations of the Exchanges where the trade is executed for the purpose of giving effect to the provisions of the Rules, Byelaws and Regulations of the Exchanges and the circulars/notices issued thereunder.

## **BROKERAGE**

18. The Client shall pay to the stock broker brokerage and statutory levies as are prevailing from time to time and as they apply to the Client's account, transactions and to the services that stock broker renders to the Client. The stock broker shall not charge brokerage more than the maximum

brokerage permissible as per the rules, regulations and bye-laws of the relevant stock exchanges and/or rules and regulations of SEBI.

## **LIQUIDATION AND CLOSE OUT OF POSITION**

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

## **DISPUTE RESOLUTION**

22. The stock broker shall provide the client with the relevant contact details of the concerned Exchanges and SEBI.
23. The stock broker shall co-operate in redressing grievances of the client in respect of all transactions routed through it and in removing objections for bad delivery of shares, rectification of bad delivery, etc.
24. The client and the stock broker shall refer any claims and/or disputes with respect to deposits,

margin money, etc., to arbitration as per the Rules, Byelaws and Regulations of the Exchanges where the trade is executed and circulars/notices issued thereunder as may be in force from time to time.

25. The stock broker shall ensure faster settlement of any arbitration proceedings arising out of the transactions entered into between him vis-à-vis the client and he shall be liable to implement the arbitration awards made in such proceedings.
26. The client/stock-broker understands that the instructions issued by an authorized representative for dispute resolution, if any, of the client/stock-broker shall be binding on the client/stock-broker in accordance with the letter authorizing the said representative to deal on behalf of the said client/stock-broker.

#### **TERMINATION OF RELATIONSHIP**

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

intimates to the stock broker his/its intention to terminate their relationship by giving a notice in writing of not less than one month.

#### **ADDITIONAL RIGHTS AND OBLIGATIONS**

30. The stock broker shall ensure due protection to the client regarding client's rights to dividends, rights or bonus shares, etc. in respect of transactions routed through it and it shall not do anything which is likely to harm the interest of the client with whom and for whom they may have had transactions in securities.
31. The stock broker and client shall reconcile and settle their accounts from time to time as per the Rules, Regulations, Bye Laws, Circulars, Notices and Guidelines issued by SEBI and the relevant Exchanges where the trade is executed.
32. The stock broker shall issue a contract note to his constituents for trades executed in such format as may be prescribed by the Exchange from time to time containing records of all transactions including details of order number, trade number, trade time, trade price, trade quantity, details of the derivatives contract, client code, brokerage, all charges levied etc. and with all other relevant details as required therein to be filled in and issued in such manner and within such time as prescribed by the Exchange. The stock broker shall send contract notes to the investors within one working day of the execution of the trades in hard copy and/or in electronic form using digital signature.
33. The stock broker shall make pay out of funds or delivery of securities, as the case may be, to the Client within one working day of receipt of the payout from the relevant Exchange where the trade is executed unless otherwise specified by the client and subject to such terms and conditions as may be prescribed by the relevant Exchange from time to time where the trade is executed.
34. The stock broker shall send a complete 'Statement of Accounts' for both funds and securities in respect of each of its clients in such periodicity and format within such time, as may be prescribed by the relevant Exchange, from time to time, where the trade is executed. The Statement shall also state that the client shall report errors, if any, in the Statement within such time as may be prescribed by the relevant Exchange from time to time where the trade was



executed, from the receipt thereof to the Stock broker.

35. The stock broker shall send daily margin statements to the clients. Daily Margin statement should include, inter-alia, details of collateral deposited, collateral utilized and collateral status (available balance/due from client) with break up in terms of cash, Fixed Deposit Receipts (FDRs), Bank Guarantee and securities.
36. The Client shall ensure that it has the required legal capacity to, and is authorized to, enter into the relationship with stock broker and is capable of performing his obligations and undertakings hereunder. All actions required to be taken to ensure compliance of all the transactions, which the Client may enter into shall be completed by the Client prior to such transaction being entered into.

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

37. In case, client opts to receive the contract note in electronic form, he shall provide an appropriate e-mail id to the stock broker. The client shall communicate to the stock broker any change in the email-id through a physical letter. If the client has opted for internet trading, the request for change of email id may be made through the secured access by way of client specific user id and password.
38. The stock broker shall ensure that all ECNs sent through the e-mail shall be digitally signed, encrypted, non-tamperable and in compliance with the provisions of the IT Act, 2000. In case, ECN is sent through e-mail as an attachment, the attached file shall also be secured with the digital signature, encrypted and non-tamperable.
39. The client shall note that non-receipt of bounced mail notification by the stock broker shall amount to delivery of the contract note at the e-mail ID of the client.
40. The stock broker shall retain ECN and acknowledgement of the e-mail in a soft and non-tamperable form in the manner prescribed by the exchange in compliance with the provisions of the IT Act, 2000 and as per the extant rules/regulations/circulars/guidelines issued by SEBI/ Stock Exchanges from time to time. The proof of delivery i.e., log report generated by the system at the time of sending the contract notes shall

be maintained by the stock broker for the specified period under the extant regulations of SEBI/stock exchanges. The log report shall provide the details of the contract notes that are not delivered to the client/e-mails rejected or bounced back. The stock broker shall take all possible steps to ensure receipt of notification of bounced mails by him at all times within the stipulated time period under the extant regulations of SEBI/stock exchanges.

41. The stock broker shall continue to send contract notes in the physical mode to such clients who do not opt to receive the contract notes in the electronic form. Wherever the ECNs have not been delivered to the client or has been rejected (bouncing of mails) by the e-mail ID of the client, the stock broker shall send a physical contract note to the client within the stipulated time under the extant regulations of SEBI/stock exchanges and maintain the proof of delivery of such physical contract notes.
42. In addition to the e-mail communication of the ECNs to the client, the stock broker shall simultaneously publish the ECN on his designated web-site, if any, in a secured way and enable relevant access to the clients and for this purpose, shall allot a unique user name and password to the client, with an option to the client to save the contract note electronically and/or take a print out of the same.

#### **LAW AND JURISDICTION**

43. In addition to the specific rights set out in this document, the stock broker, sub-broker and the client shall be entitled to exercise any other rights which the stock broker or the client may have under the Rules, Bye-laws and Regulations of the Exchanges in which the client chooses to trade and circulars/notices issued thereunder or Rules and Regulations of SEBI.
44. The provisions of this document shall always be subject to Government notifications, any rules, regulations, guidelines and circulars/notices issued by SEBI and Rules, Regulations and Bye laws of the relevant stock exchanges, where the trade is executed, that may be in force from time to time.
45. The stock broker and the client shall abide by any award passed by the Arbitrator(s) under the Arbitration and Conciliation Act, 1996. However,

there is also a provision of appeal within the stock exchanges, if either party is not satisfied with the arbitration award.

46. Words and expressions which are used in this document but which are not defined herein shall, unless the context otherwise requires, have the same meaning as assigned thereto in the Rules, Byelaws and Regulations and circulars/notices issued thereunder of the Exchanges/SEBI.
47. All additional voluntary clauses/document added by the stock broker should not be in contravention with rules / regulations / notices / circulars of Exchanges / SEBI. Any changes in such

voluntary clauses / document(s) need to be preceded by a notice of 15 days. Any changes in the rights and obligations which are specified by Exchanges/SEBI shall also be brought to the notice of the clients.

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

# MANDATORY

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

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

Additionally, the clauses mentioned herein shall also be applicable.)

1. Stock broker is eligible for providing Internet based trading (IBT) and securities trading through the use of wireless technology that shall include the use of devices such as mobile phone, laptop with data card, etc. which use Internet Protocol (IP). The stock broker shall comply with all requirements applicable to internet based trading/securities trading using wireless technology as may be specified by SEBI & the Exchanges from time to time.
2. The client is desirous of investing/trading in securities and for this purpose, the client is desirous of using either the internet based trading facility or the facility for securities trading through use of wireless technology. The Stock broker shall provide the Stock broker's IBT Service to the Client, and the Client shall avail of the Stock broker's IBT Service, on and subject to SEBI/ Exchanges Provisions and the terms and conditions specified on the Stock broker's IBT Web Site provided that they are in line with the norms prescribed by Exchanges/SEBI.
3. The stock broker shall bring to the notice of client the features, risks, responsibilities, obligations and liabilities associated with securities trading through wireless technology/internet/smart order routing or any other technology should be brought to the notice of the client by the stock broker.
4. The stock broker shall make the client aware that the Stock Broker's IBT system itself generates the initial password and its password policy as stipulated in line with norms prescribed by Exchanges/SEBI.
5. The Client shall be responsible for keeping the Username and Password confidential and secure and shall be solely responsible for all orders entered and transactions done by any person 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.

# MANDATORY

## 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.

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

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

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

### **1.5 Risk of News Announcements**

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

### **1.6 Risk of Rumors**

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

### **1.7 System Risk**

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

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



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

## 1.8 System/Network Congestion:

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

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

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

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

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

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

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

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

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

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

### 2.2 Currency specific risks:

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

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

3. Currency prices are highly volatile. Price movements for currencies are influenced by, among other things: changing supply-demand relationships; trade, fiscal, monetary, exchange control programs and policies of governments; foreign political and economic events and policies; changes in national and international interest rates and inflation; currency devaluation; and sentiment of the market place. None of these factors can be controlled by any individual advisor and no assurance can be given that an advisor's advice will result in profitable trades for a participating customer or that a customer will not incur losses from such events.

### **2.3 Risk of Option holders:**

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

### **2.4 Risks of Option Writers:**

1. If the price movement of the underlying is not in the anticipated direction, the option writer runs the risks of losing substantial amount.
2. The risk of being an option writer may be reduced by the purchase of other options on the same underlying interest and thereby assuming a spread position or by acquiring other types of hedging positions in the

options markets or other markets. However, even where the writer has assumed a spread or other hedging position, the risks may still be significant. A spread position is not necessarily less risky than a simple 'long' or 'short' position.

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

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

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

### **4. GENERAL**

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

# MANDATORY

## GUIDANCE NOTE DO's AND DON'Ts 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 at [www.bseindia.com](http://www.bseindia.com) for BSE and [www.nseindia.com](http://www.nseindia.com) for NSE and SEBI website [www.sebi.gov.in](http://www.sebi.gov.in).
2. Ensure that you fill the KYC form completely and strike off the blank fields in the KYC form.
3. Ensure that you have read all the mandatory documents viz. Rights and Obligations, Risk Disclosure Document, Policy and Procedure document of the stock broker.
4. Ensure to read, understand and then sign the voluntary clauses, if any, agreed between you and the stock broker. Note that the clauses as agreed between you and the stock broker cannot be changed without your consent.
5. Get a clear idea about all brokerage, commissions, fees and other charges levied by the broker on you for trading and the relevant provisions/ guidelines specified by SEBI/Stock exchanges.
6. Obtain a copy of all the documents executed by you from the stock broker free of charge.
7. In case you wish to execute Power of Attorney (POA) in favour of the Stock broker, authorizing it to operate your bank and demat account, please refer to the guidelines issued by SEBI/ Exchanges in this regard.
9. Don't share your internet trading account's password with anyone.
10. Don't make any payment in cash to the stock broker.
11. Make the payments by account payee cheque in favour of the stock broker. Don't issue cheques in the name of sub-broker. Ensure that you have a documentary proof of your payment/deposit of securities with the stock broker, stating date, scrip, quantity, towards which bank/ demat account such money or securities deposited and from which bank/ demat account.
12. Note that facility of Trade Verification is available on stock exchanges' websites, where details of trade as mentioned in the contract note may be verified. Where trade details on the website do not tally with the details mentioned in the contract note, immediately get in touch with the Investors Grievance Cell of the relevant Stock exchange.
13. In case you have given specific authorization for maintaining running account, payout of funds or delivery of securities (as the case may be), may not be made to you within one working day from the receipt of payout from the Exchange. Thus, the stock broker shall maintain running account for you subject to the following conditions:
  - a) Such authorization from you shall be dated, signed by you only and contains the clause that you may revoke the same at any time.
  - b) The actual settlement of funds and securities shall be done by the stock broker, at least once in a calendar quarter or month, depending on your preference. While settling the account, the stock broker shall send to you a 'statement of accounts' containing an extract from the client ledger for funds and an extract from the register of securities displaying all the receipts/ deliveries of funds and securities. The

### TRANSACTIONS AND SETTLEMENTS

8. The stock broker may issue electronic contract notes (ECN) if specifically authorized by you in writing. You should provide your email id to the stock broker for the same. Don't opt for ECN if you are not familiar with computers.



statement shall also explain the retention of funds and securities and the details of the pledged shares, if any.

- c) On the date of settlement, the stock broker may retain the requisite securities/funds towards outstanding obligations and may also retain the funds expected to be required to meet derivatives margin obligations for next 5 trading days, calculated in the manner specified by the exchanges. In respect of cash market transactions, the stock broker may retain entire pay-in obligation of funds and securities due from clients as on date of settlement and for next day's business, he may retain funds/securities/margin to the extent of value of transactions executed on the day of such settlement in the cash market.
  - d) You need to bring any dispute arising from the statement of account or settlement so made to the notice of the stock broker in writing preferably within 7 (seven) working days from the date of receipt of funds/securities or statement, as the case may be. In case of dispute, refer the matter in writing to the Investors Grievance Cell of the relevant Stock exchanges without delay.
14. In case you have not opted for maintaining running account and pay-out of funds/securities is not received on the next working day of the receipt of payout from the exchanges, please refer the matter to the stock broker. In case there is dispute, ensure that you lodge a complaint in writing immediately with the Investors Grievance Cell of the relevant Stock exchange.
  15. Please register your mobile number and email id with the stock broker, to receive trade confirmation alerts/ details of the transactions through SMS or email, by the end of the trading day, from the stock exchanges.

## **IN CASE OF TERMINATION OF TRADING MEMBERSHIP**

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

## **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.

**POLICIES AND PROCEDURES**

This document outlines various policies and procedures framed and followed by Finquest Securities Limited (FINQUEST) with respect to its dealing with its clients as a stock broker on National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Ltd (BSE) (collectively hereinafter referred to as "the Exchanges"). The policies and procedures as stated herein below are subject to change from time to time at the sole discretion of FINQUEST, depending upon regulatory changes, its risk management framework, other market conditions, etc.

**a. Refusal of order for penny stock**

Following types of scrips will come under Penny stock if it falls in any one category as mentioned below as part of the due diligence and risk management policy of FINQUEST.

1. Scrip which are quoting at less than Rs. 10/- on any of the Exchanges.
2. Scrips appearing in the list of illiquid securities issued by the Exchanges periodically.
3. Securities forming part of Trade-to-Trade settlement.
4. Securities forming part of Z group.
5. Scrips on which Exchange VaR is more than 50%
6. Scrip whose average daily volume is less than 15000 shares (collectively for all Exchanges) in last seven days.
7. Any Securities which in the opinion of FINQUEST is likely to be a Penny Stock.

Trading in Penny stocks may be allowed to clients at the sole discretion of FINQUEST. Also FINQUEST may restrict the quantity/amount which a client may be allowed to buy/sell the penny stock. If the client wants to purchase Penny stocks then FINQUEST may insist upto 100% advance payment/sufficient clear ledger credit balance and similarly if client wishes to sell Penny stock, then FINQUEST may insist that shares should be first transferred to beneficiary demat

account of FINQUEST. Under no circumstances, FINQUEST shall be held responsible for non-execution/delay in execution of such orders and consequential opportunity loss or financial loss to the client.

**b. Setting up client's exposure limits****Cash Segment**

- Exposure based and / or Margin based limits will be given to the clients for doing trades in Cash Segment.
- Limits will be given on the basis of credit balance and / or collateral / securities of the client available with FINQUEST valued after hair cut.
- Exposure based limit may be given to the client in certain multiples (multiples times may be decided by FINQUEST at its sole discretion from time to time) on the available credit balance and / or on the collateral / securities of the client available with FINQUEST valued after hair cut. However, on case to case basis the excess limits may be allowed.
- Margin based limit may be given to the client on the applicable VaR as may be decided by FINQUEST from time to time on the available credit balance and / or on the collateral / securities of the client available with FINQUEST valued after hair cut. However on case to case basis the excess limits may be allowed.
- Securities shall be valued after appropriate hair cut based on the type of scrips, nature of scrip, liquidity, volatility of scrip, etc. from time to time.

FINQUEST may at its sole and absolute discretion allow clean exposure limit up to certain amount to the client without insisting for any credit balance and/or margin. The quantum of clean exposure limit shall be decided by FINQUEST. On a case-to-case basis FINQUEST may, at its sole and absolute discretion, give higher clean exposure limits to certain set of the clients. FINQUEST reserves the right to withdraw clean exposure limit granted to the client at any point of time at its sole and absolute discretion. The client cannot and shall not raise any concern/dispute for the same and under no circumstances, FINQUEST shall be held responsible for alleged / consequential

opportunity loss or financial loss to the client.

### **Derivatives Segment**

- Margin based limits will be given to the clients for doing trades in Derivatives Segment.
- Limits in Derivatives Segment will be given on the basis of free credit balance and / or collateral/ securities of the client available with FINQUEST valued after hair cut.
- Securities shall be valued after appropriate hair cut based on the type of scrips, nature of scrip, liquidity and volatility of scrip, etc. from time to time.
- A client will be normally allowed limits till the client has free credit balance and / or collateral / securities valued after hair cut. In case of excess limit is availed, the same will be regularized by the end of trading session / day. However on case to case basis the excess limit may be allowed to be carried forward.

FINQUEST may from time to time depending on market conditions, profile and history of client, type and nature of scrip, etc., may at its sole discretion change the rate of haircut applicable on the securities / collaterals, number of times the limits to be given in Cash and / or Derivatives segments and take such steps as FINQUEST may deem necessary.

#### **c. Applicable Brokerage Rate**

The brokerage rate applicable on clients trades will be as per agreed rates as mentioned in the Tariff Schedule at the time of opening the client trading account. Any higher brokerage will be levied only if agreed in writing between FINQUEST and the client or by advance notice of 15 days by FINQUEST to the client. If the client has any grievances' regarding the rate of brokerage charged then he should intimate the same to FINQUEST within four hours of receipt of the contract note/confirmation memo/bill.

**The brokerage rate at no point of time will exceed the rates as may be specified by the Exchanges/SEBI from time to time.**

Unless otherwise agreed the brokerage will be exclusive of the levies / charges as mentioned

in the Tariff Sheet.

#### **d. Imposition of penalty/delayed payment charges by either party, specifying the rate and the period**

In case of delay in payment by the client to FINQUEST on its due date, FINQUEST in respect of such delayed payment will be entitled to recover late / delayed payment charges from due date. The said delayed payment shall include amounts payable by the client to FINQUEST in respect of initial margin, mark to market, shortfall of margin(s) in prescribed modes, and / or other margins and pay-in obligations. Late payment charges will be levied upto 2.5% per month or a part of month on delayed payment for the delayed period. The trade of the client may not be executed by FINQUEST if the client does not clear dues along with delayed payment charges. The client will not be entitled to any interest on the credit balance / excess margin available / kept with FINQUEST.

A delayed payment charge is applied to act only as a deterrent measure. The client should not construe it as funding arrangement. The client cannot demand continuation of service on a continued basis citing levy of delayed payment charges.

FINQUEST may impose fines/penalties for any order/ trades/ deal/ actions of the clients which are contrary to this agreement/ rules/ regulations/ byelaws of the exchange or any other law for the time being in force at such rates and in such form as it may deem fit. Further where the FINQUEST has to pay any fine or bear any punishment from any authority in connection with/ as a consequence of / in relation to any of the order/ trades/ deal/ actions of the client, the same will be borne by the client.

#### **e. The right to sell clients' securities or close clients' positions, without giving notice to the client, on account of non-payment of client's dues.**

The client is required to pay adequate margin/ pay-in obligations in full and that it shall be the clients responsibility to ascertain in advance the margin / pay- in obligations requirement for its

order/trades/deals and to ensure that the required margin /pay-in obligations is made available to FINQUEST in such form and such manner as may be required by FINQUEST from time to time. If the client's order is executed despite a shortfall in the available margin, the client shall, whether or not FINQUEST intimates such shortfall to the client, make up for the shortfall suo-motto immediately. The client shall be responsible for all orders (including any orders that may be executed without the required margin in the clients account) and/or any claim/ loss/ damage arising out of the non-availability/ shortage of margin / pay-in obligations required by FINQUEST and/or by Exchange. The client shall fulfill all its obligations / liabilities / dues to FINQUEST, failing which FINQUEST has the right not the obligation to square up all or any outstanding position and / or take offsetting positions and / or sell the margin / securities available with FINQUEST without giving any notice to the client. FINQUEST may also square up all or any outstanding position and / or sell the securities/collateral available with FINQUEST as a part of risk management at any time without giving any notice to the client. In case of purchase on behalf of client, the FINQUEST may close out its transactions by selling securities, in case the Client fails to make full payment to FINQUEST for the same before the time intimated by FINQUEST. In case of sale on behalf of client, the FINQUEST may close out its transaction by purchasing the securities. The client shall be liable for any losses, costs and be entitled to any surplus, which may result from the above.

**f. Shortages in obligations arising out of internal netting of trades,**

If a selling client who has sold shares of particular scrip on T day does not deliver shares latest by T+2 (i.e. by pay-in day deadline) and such quantity of shares results in internal shortages, then such quantity of internal shortage will be purchased from the market on pay-in day/or reported for self auction if provided by the Exchange. On T+2 (i.e. pay-in day) provisional debit will be given in client account at T+1 day's closing rate + adhoc margin as decided by FINQUEST from time to time.

On payout day of securities purchased in the internal shortage account, provisional debit bill amount will be reversed and client account will be debited with the amount at which securities

are purchased on T+2 day. Fines / penalties / charges may be levied on account of internal shortage to selling client.

Due to internal shortage on account of internal netting of trades, the buyer client shall receive late delivery of securities. Buyer shall have no claims / rights against FINQUEST for delay in delivery of securities. It may also be possible that FINQUEST may not be able to obtain the required securities due to market conditions, then in such cases the buyer clients account will be credited and seller clients account will be debited as per the close out rate provided by the exchange for the relevant Auction settlement. Provisional debit bill amount will be reversed in the sellers client account.

Notwithstanding the above, the selling client who has failed to deliver the shares by due date and time shall be solely responsible for all cost, charges, penalties, damages, etc. arising out of such non delivery of shares. Above procedure is subject to change from time to time according to change in settlement procedure of the Exchange.

**g. Conditions under which a client may not be allowed to take further position or FINQUEST may close the existing position of a client.**

Under the following conditions FINQUEST will not allow the client to take further positions or FINQUEST may close the existing position of a client:

- 1) Insufficient / inadequate margin(s) and / or insufficient / inadequate free credit balance available with FINQUEST.
- 2) Scrips / stocks falling in Penny Stocks in clause (a) above.
- 3) Illiquid contracts / options.
- 4) Trades which apparently in the sole and absolute discretion of FINQUEST seems to be Synchronized trades/Circular trading/ Artificial trading/manipulative in nature, etc.
- 5) Scrips banned by Regulatory authorities.
- 6) Where name of the client apparently resembles with the name appearing in the list of debarred entities published by SEBI/ Exchanges and other regulatory authorities [where the information available for the



debarred entity (other than name) is not sufficient enough to establish that the client and such debarred entity are one and the same].

- 7) The client fails to furnish documents/ information as may be called for by FINQUEST from time to time as per regulatory requirement and/or as per its internal policy.
- 8) In the event of death or insolvency of the client or the client otherwise becoming incapable of receiving and paying for or delivering or transferring securities which he has ordered to be bought or sold.

In addition to the above FINQUEST can also close position of the client in case the client fails to pay his / her obligation / dues before pay in schedule of the exchange and / or as demanded by FINQUEST. Depending on the market circumstances if FINQUEST is of the view that the positions of the clients are / will be at risk then FINQUEST may close the existing position without waiting for the pay in schedule of the exchange.

**h. Temporarily suspending or closing a client's account at the client's request,**

At the written request of the client, the trading account will be suspended / closed. In case client request for closing the account then the client's funds and securities due to / from client will have to be settled at the earliest. Also the client will give a confirmation of no dues (funds and securities) to FINQUEST. Only after the settlement of funds and securities the clients account will be closed. If a client wishes to resume trading then client has to give a written request to FINQUEST for the same. In case after closing of account client wishes to resume trading with FINQUEST then fresh KYC formalities will be done.

**i. Deregistering a client.**

FINQUEST may at its sole discretion deregister a client without giving any specific reason. Necessary communication will be done by FINQUEST to client in writing or by email. On

giving the intimation to de-register, the client's funds and securities, if any, will be settled at the earliest. The client will be given necessary notice period as required by the SEBI/Exchanges from time to time.

Due to de-registration, FINQUEST shall have the right to close out the existing open positions/ contracts, sell/ liquidate the margin (in any form) to recover its dues, if any, before de-registering the client. Any action taken by FINQUEST in terms of this policy shall not be challenged by the client, and FINQUEST shall not be liable to the client for any loss or damage (actual/ notional), which may be caused to the client as a result. Also while de-registering the client, FINQUEST may retain certain amount/securities due/belonging to the client for meeting any future losses, liability, penalties, etc. arising out of dealing of the client with FINQUEST. In case if any securities retained by FINQUEST is sold/ liquidated to recover any such losses, liability, penalties, etc., FINQUEST shall have the sole authority to decide the scrip, the mode, manner and the price at which to effect the sale of securities and the client cannot raise any dispute as to the manner, mode and the price at which the securities are sold by FINQUEST.

In any of the above circumstances, if the client is able to justify his / her, circumstances / reasons either by producing any record, document or otherwise to the full satisfaction of FINQUEST, then FINQUEST may reconsider its decision of de-registering the client. However in no circumstances any action taken by FINQUEST till the date of re-registration shall be challenged by the client and FINQUEST shall not be liable to the client for any loss or damage (actual/ notional), which may be caused to the client as a result.

**j. Policy for inactive client**

Any Client who have not traded for last 365 days or such period as may be decided in any segment of any exchange with FSPL then that client code will be made in active and will be kept in dormant mode. If client wishes to activate his account then he may have to complete such documentations as decided by FSPL from time to time. After the client is made in active funds and securities lying in trading account if any available with FSPL will be settled at the end of the quarter in which trading account is made inactive.

# VOLUNTARY

## Voluntary Document

### ADDITIONAL CLAUSES AGREED BETWEEN STOCK BROKER AND CLIENT AND OR SUB-BROKER FORMING PART OF RIGHTS AND OBLIGATIONS

The following clauses are not part of Uniform set of Documents prescribed by SEBI vide its circular number CIR/ MIRSD/16/2011 dated August 22, 2011. These additional provisions further supplement the clauses and have been added in order to ensure smooth functioning of trading and to enhance the transparency of Stock Broker Client relation. The client is hereby informed that these clauses are voluntarily being agreed at the discretion of Stock Broker and client.

The client and Stock Broker in addition, to the above, also agree to the terms and conditions stated herein below:

#### 1. DEFINITIONS & INTERPRETATION:

Unless repugnant to the context or meaning thereof, words and expressions which are used herein but not defined shall, unless the context otherwise requires, have the same meaning as assigned thereto in the Rules, Bye-laws and regulations of the relevant Exchange.

1.1 Unless repugnant to the context or meaning thereof:

"Designated Accounts" means The Bank Account(s) and the Depository Account(s). "Designated Bank accounts" means the current or saving bank account(s) or any funds accounts maintained by the Client (either solely or jointly with another or others) with the Designated Bank(s) for the purpose of depositing funds, and which account(s) has/have been designated by the client as an Designated Bank Account(s).

"Depository Account" means the depository account(s) maintained by the client (either solely or jointly with another or others) with the designated "Depository Participant" and which account(s) has/have been designated by the client as a Depository Account(s).

"Available Fund balance" means the amount of credit balance in the Designated

Bank Account(s) or in the Client account with Stock Broker which is not subject to any lien or other encumbrance (except in favor of Stock Broker) and which is freely available to Stock Broker for blocking and appropriation towards the client's dues to Stock Broker, an exchange, a Clearing Corporation/ Clearing House, a Business Associate(s) and / or any other individual, partnership, company, corporation, organization association trust or other entity.

"Available Stock Balance" means the Securities balance in the Depository Account(s) or in the Client account with Stock Broker which is not subject to any lien or other encumbrance (except in favor of Stock Broker) and which is freely available to Stock Broker for blocking and appropriation towards the client's obligation to deliver the securities to Stock Broker, to an Exchange to a Clearing Corporation / House and / or to a Business Associate.

"Brokerage" means the amount charged by Stock Broker to the Client as brokerage for a primary / secondary market trade or dealing or for any other services. The term "Brokerage" does not include service tax or other taxes, trade/transaction or other fees (statutory or otherwise) and commissions that may be applicable in respect of the services.

"BSE" means The Bombay Stock Exchange Limited.

"Business Associates" includes the Sub-broker/ Agent and such other persons, firms, entities etc. that are either directly or indirectly involved in facilitating the provision of the services and/or act as franchisees or agents of Stock Broker in relation to the provision of the services.

"Business Day" means any day on which the concerned Exchange (s) is operational for trading.

"Clearing House" or "Clearing Corporation" means the clearing house or clearing corporation (as the case may be), maintained by the applicable Exchange, to act as the agency for effecting delivery and settlement of contracts between clearing member of the Clearing House / Clearing Corporation.

"Client account" means an account opened by Stock Broker in the name of the Client in Stock Broker records, which may, in the discretion of Stock Broker, be an account in relation to a single product / service or an account in relation to more than one product / service.

"Clients ID" means the unique identification assigned by Stock Broker to each Client.

"Client Registration Application Form"/Client Registration Form/Know your Client form/Client Application Form" means the duly completed Client registration application form of Stock Broker filled up and submitted by the client to Stock Broker, to open a Client account and to avail of the Services.

"Depository" means a depository within the meaning of the Depositories Act, 1996.

"Depository Participant" means a participant within the meaning of the Depositories Act, 1996.

- (a) "Derivatives" and "Options in securities", as defined in section 2 (aa) and 2(d) respectively of the Securities Contract (Regulation) Act, 1956 as amended from time to time; and
- (b) Such other forms of derivatives (if any), that are permitted to be dealt with on the relevant exchange from time to time, in accordance with the Rules, Bye - laws and regulations of that Exchange.

"Designated Bank" means such bank(s) and/or entity(ies) as Stock Broker may specify in this behalf from time to time.

"Designated Depository Participant," means Depository Participant(s) service of Stock Broker.

"E-contract Note" means an electronically generated contract note or a digitally signed contract note issued.

"Exchange" means NSE, BSE and such other Stock Exchange(s), if any, of which, Stock Broker becomes a Stock broker, and over which Stock Broker agrees to offer trading including internet trading services to the Client;

"Exchange Provisions" means the Rules, Bye-laws, regulations, hand books, notices, circulars and resolutions, of the concerned Exchanges or the concerned Depository in force from time to time and includes the minimum requirements for internet trading prescribed by the BSE and NSE, circular relating to Internet based trading service, as issued and amended from time to time.

"Good delivery" in relation to securities, shall mean the timely delivery of freely transferable Securities which are considered as good delivery securities by the concerned Exchange, SEBI and the concerned Clearing Corporation / House.

"Long Purchase" shall include a purchase order or trade given or entered into by the Client without sufficient available Funds Balance.

"Mode" means the channels or means through which the Services may for the time to time being be accessed by clients and through which the service is for the time being rendered by Stock Broker.

"NSE" means National Stock Exchange of India Limited".

"Internet Trading" means Internet based trading through Order Routing System, being a system approved by the concerned Exchange for enabling Clients to route their orders to their Stock broker over the Internet.

"Internet Trading Service" means the service (being part of the services) offered by Stock Broker to its clients through internet trading, where under the clients can route their orders for trading or dealing in Securities through the Stock broker web site or through internet.

"Outstanding Position" in a security means the quantity and total value of that security purchased (or sold) less the quantity and total value of that security sold (or purchased) by the client and not settled.

"Password" means the alphanumeric code used by the client to access the services that he is entitled to receive. The nature and type of the password may or may not vary upon the Modes through which a service is being accessed by the client.

"Stock Broker Services" or "Services" means those services that Stock Broker (either itself or through its Business Associates) may for the time being be rendering to its clients whether as a Stock Broker of an Exchange or not), and which Stock Broker may agree to render to the client.

"Stock Broker Web Site" means the Stock Broker web site or such other web site as may be hosted by Stock Broker for access through the Internet, through which Stock Broker offers the services.

"SEBI" means Securities and Exchange Board Of India.

"Securities" shall include:

- (i) Shares, scrips, stocks, bonds, debentures, debenture stock or other marketable securities of a like nature in or of any incorporated company or other body corporate;
- (ii) Derivatives
- (iii) Units of any other instrument issued by any collective investment scheme to the investor in such schemes.
- (iv) Government Securities.
- (v) Such other instruments as may be declared by the Central Government to be securities.
- (vi) Rights or interests in securities.
- (vii) Any other securities and instruments that are tradable on any exchange; and
- (viii) Any other securities or instruments that Stock Broker may hereinafter notify to its clients as being "Securities" for the purposes of this document.

"Short sale" shall include a sale order or trade given or entered into by the client without sufficient available stock balance.

Squaring off a position means executing a trade or order so that the Outstanding Position in a Security is set off in full or part and the terms "Square Off" shall be construed accordingly.

"Stop Order" means a stop transfer or similar order lodged with the relevant issuer, register or fiscal / governmental body and "Stop Order Notice" shall be construed accordingly to include officially published notice of loss, theft, cancellation, opposition or nullification proceedings.

"System" includes,

- (i) The system hosted by Stock Broker and/or a Business Associate on the Internet through which the internet trading Service is offered.
- (ii) The system implemented / installed by Stock Broker and / or the Business Associates, for accepting orders and providing any part of the service through the Modes.
- (iii) Any other system offered by Stock Broker and /or its Business

Associates that provides or enables the use of Modes.

"Trading Hours," means such period of a Business Day during which the concerned Exchange offers trading facilities to its Stock Brokers. "Username" means alphanumeric login identification, which may be used by the client for accessing his Client account (s) for availing the services through the Modes.

1.2 Headings are used for convenience and ease of reference only and shall not affect the construction or interpretation of any provision.

1.3 Addendum, annexure, and schedules, if any, to this document shall form an integral part.

1.4 Unless repugnant to the context or meaning thereof;

- (i) Reference to the singular includes a reference to the plural and vice versa,
- (ii) Reference to any gender includes to all other genders,



- (iii) References to recitals, clauses, schedules and annexure shall be deemed to be a reference to the recitals, clauses, schedules and annexure.
- (iv) References to a person shall include its personal representative, and
- (v) Reference to any enactment are to be constructed as referring also to any amendment or re-enactment thereof and to any rule, bye law, regulation, business requirement, specification, order or other provision made under it.

## 1.5 TYPES OF SERVICES OFFERED

Stock Broker agrees to provide, subject to the terms of this document, such of the following services as Stock Broker may in its discretion from time to time determine to offer to the client and the client agrees to avail from Stock Broker.

- (i) Trading Facilities including internet trading.
- (ii) Such other services as permitted by SEBI and the exchange from time to time, and which Stock Broker in its discretion may determine to offer its clients. Now, therefore, in consideration of the mutual understanding as set forth in this document, the parties thereto have agreed to the following terms and conditions:

## 2. TO PROVIDE AND AVAIL OF THE SERVICES

2.1 On subject to the terms and conditions of this document Stock Broker, the Exchange Provisions, other applicable laws, the terms of Stock Broker web site, the contract notes / confirmation notes (as applicable) and such other terms and conditions as may become applicable in accordance with law from time to time.

- (i) Stock Broker agrees to provide the services to the client, and
- (ii) The client agrees to avail of the services.

2.2 Stock Broker reserves the sole and exclusive right to determine the modes through which the client may access, receive the Services. Stock Broker reserves the right to, from time to time, discontinue the availability or any Modes to the Client,

without any prior notice and without assigning any reasons whatsoever for such discontinuance.

2.3 The client hereby authorizes Stock Broker to take all such steps without being obliged to, on the Client's behalf as may be required or advisable in Stock Broker's opinion or discretion for compliance with the Exchange Provisions or any other law or clauses or to complete or settle any trades entered into, through or with Stock Broker and/or its Business Associates or executed by Stock Broker on behalf of the client.

2.4 Notwithstanding anything to the contrary in this document, Stock Broker may at any time in its sole discretion, prohibit or restrict the clients access to the Stock Broker Web Site or Services, without any prior notice or without assigning reasons whatsoever. For the avoidance of doubt it is further clarified that Stock Broker may at any time discontinue the availability of, and/or refuse to render, any service (whether previously rendered by Stock Broker to the Client or not) whether generally to all its clients, to a group or groups of clients or to the client alone, without any prior notice if Stock Broker believes that to continue to offer such Services will or may contravene a law or regulation or if based on Stock Broker's reasonable risk perception, the Services ought to be discontinued.

2.5 Where Stock Broker has permitted the client to trade, and avail of the services only through the Internet, Stock Broker shall be entitled (but not obligated) at the entire cost of the client alone, to accept one time instructions from the client through other Modes, such as one time permission from Stock Broker shall not be construed as an authorization by Stock Broker for such client to have access to the Services through such other Modes.

2.6 For the avoidance of doubt, Stock Broker hereby reserves the right to offer/make available all or any of the services to the client through a Business Associate(s). Stock Broker shall be entitled to discontinue the services through such Business Associate(s) without any prior notice and shall be further entitled to replace such Business Associate(s) at its sole discretion.

### 3. DESIGNATED ACCOUNTS

3.1 At all times during the subsistence of this document and thereafter until all obligations of the client of Stock Broker have been fulfilled, the client shall maintain one or more Bank Accounts and one or more Depository Accounts for the purpose of facilitating the client's trading and settlement pursuant to this document. Where any bank or depository participant ceases to be a designated Bank or designated Depository Participant, the client shall be obliged and required to open and maintain one or more Bank Accounts and one or more Depository Accounts with a bank and a depository participant is at that time a designated Bank or designated Depository Participant (as the case may be), as a condition to the continuance of the services.

3.2 For the avoidance of doubt it is clarified that notwithstanding anything to the contrary contained in this document, Stock Broker shall be entitled to require that the client nominate only one Bank Account and Only one Depository Account as the preferred account for the purpose of facilitating the client's trading and settlement pursuant to this document and as decided by the Stock Broker.

### 4. RISK DISCLOSURE DOCUMENT

4.1 The Stock Broker declares that it has brought the contents of the risk disclosure document to the notice of client and made him aware of the significance of the said document. The client agrees that:-

- (i) He has read and understood the risk involved in trading on a Stock Exchange.
- (ii) He shall be wholly responsible for all his investment decisions and trades.
- (iii) The failure of the client to understand the risk involved shall not render a contract as void or voidable and the client shall be and shall continue to be responsible for all the risks and consequences for entering into trades in the segments in which the client chooses to trade.

### 5. ORDER EXECUTION

5.1 The client agrees to abide by the exposure limits, if any, set by the Stock Broker or by the Exchange or Clearing Corporation or SEBI from time to time. The client further agrees to provide information relating to his identity and such other information as may be required while placing orders on the telephone to determine the identity of the client.

5.2 The client confirms that the orders entered through Internet trading Service shall be to the client account only and not on account of any third party and further represents, warrants and covenants that he shall not act as unregistered intermediary for any third party.

5.3 As a precondition for execution of a purchase order. Stock Broker may in its sole discretion:

- (i) require the client to maintain, at the time of order placement by the client, such amounts as Available Funds Balance in the Client Account with Stock Broker and/or in the designated Bank Account(s) as represents the value of the order as determined by plus any brokerage, service tax, transaction charges, associated costs and such mark up as Stock Broker may determine; and/or
- (ii) require the client to instruct the designated Bank with whom the client maintains the Bank Account, to block the whole or a portion of the balance in one or more Accounts in order to secure the payment of the purchase price of Securities purchased or to be purchased by the client plus any brokerage, service tax, transaction charges, associated costs and such mark-up as Stock Broker may determine, and or the payment or performance of any other than current or possible future dues or other obligations of the client; and /or
- (iii) require the amount of margin for the purchase order as prescribed by Stock Broker to be available in the client's margin account, if any, with Stock Broker.

5.4 As a precondition for execution of a sale order. Stock Broker may in its sole discretion;

- (i) require the client at the time of order placement to maintain such Securities as Available Stock Balance in the Depository Account(s), as may be determined by Stock Broker; and/or
- (ii) require the client, at the time of order placement to maintain such funds required for margin in the Client Account or Bank Account(s) as may be required by Stock Broker; and / or
- (iii) require the client to instruct the designated Bank and/or the designated Depository Participant, with whom the Accounts are for the time being maintained, to block transfer the whole or a portion of the cash and / or Securities balance in one more Accounts in order to secure the delivery of any securities sold or proposed to be sold by the Client, the payment of margin and/or payment or performance of any other than current or possible future dues or other obligations of the client; and/or
- (iv) require the amount of cash margin for the sale order as prescribed by Stock Broker to be available in the Client's margin account, if any, with Stock Broker.

5.5 In case of any security, which is subject of a stop order, the client shall take steps to cause such stop order to be promptly lifted. Any loss and expense on account of a trading/transaction with regard to such security shall be borne by the Client alone and the client hereby agrees to indemnify Stock Broker, its directors, employees, partners, agent's affiliates and Business Associates, in this regard.

5.6 On the day of placement of any order and / or any day thereafter, Stock Broker, in its sole discretion, shall be entitled to instruct the designated Bank and/or the designated Depository Participant, with whom the accounts are maintained to block, debit and/or transfer the whole or a portion of the balance in or from one or more associated

Accounts in order to secure or effect in favor of Stock Broker the payment of the purchase price of Securities purchased or to be purchased by the client, the delivery of any securities sold or proposed to be sold by the client and/or the payment or performance of margin and any other dues or obligations of the client. In addition, Stock Broker shall be entitled to, at any time, give such instructions to the designated Bank, Business Associate and/or the designated Depository Participant with whom the accounts are maintained, for the payment or delivery of any amount or Securities which are then or may thereafter become payable or deliverable by the client to Stock Broker or any of its Business associates, and the client agrees that such designated Bank, Business Associate and/or the designated Depository Participant shall give effect to such instructions, and the client shall not do or omit to do anything which may prevent such designated Bank, Business Associate and/or the designated Depository Participant from acting on Stock Broker's instructions.

5.7 The Client agrees that to the extent permitted by the law for the time being in force

- (i) instructions given by Stock Broker to the designated Bank, Business Associate and/or designated Depository Participant under clause above to block/debit and / or transfer funds or securities in or to debit or transfer from an Account in connection with a trade/transaction entered into or to be entered into by the client with or through Stock Broker will be given first priority over any instructions or Cheques given or issued by the client or any joint account holder by itself or through any other attorney of the Account.
- (ii) funds or securities once blocked on the instructions of the client or Stock Broker and / or Business Associate in connection with a trade / transaction entered into or to be entered into by the client with or through Stock Broker or any Business Associate can be released only with the express written

consent of Stock Broker or any Business Associates to the designated Bank, any other Business Associate and/or the designated Depository participant, and

- (iii) if the client or Stock Broker has given any blocking, holding, debit or other instructions in respect of any funds or Securities in any Account in connection with or through Stock Broker or any of its Business Associate, and the designated Bank and/or the designated Depository Participant with whom the Accounts are maintained, receives transfer, debit or other instructions in respect of such funds or Securities from the Client, then such designated Bank and/or the designated Depository Participant shall first give effect to the instructions issued by Stock Broker or its Business Associates.

5.8 All orders authorized by the client for the purchase/ sale of the securities, which may be listed on more than one exchange may be executed on any Exchange by Stock Broker unless otherwise specifically directed by the client at the time of submitting the order.

5.9 The client shall be allowed to trade or deal only during Trading Hours. However, Stock Broker may at its discretion, agree to receive orders even outside Trading Hours. Stock Broker may accumulate such orders received outside Trading Hours and route such orders for possible execution when the concerned Exchange next opens for trading.

5.10 The client agrees to ensure that all orders and instructions which Stock Broker receives from the client are absolutely clear and unambiguous, and the client agrees that if any instructions or orders or any details thereof are not absolutely clear and unambiguous, the Stock Broker, its employees or authorized representative shall be entitled to refuse to execute an incomplete or ambiguous instruction. The client shall be solely liable for any error made in composing or transmitting an instruction to Stock Broker.

5.11 Stock Broker shall have the right to refuse or to accept the whole or a part of any order or instruction received by Stock Broker from the client, and/or refuse to execute the whole or a part of any accepted order or instruction, in particular and without prejudice to the generality of the foregoing. Stock Broker may refuse to execute or accept the whole or part of any order or instruction; (i) based on Stock Broker risk perception of such order; or instruction; or if Stock Broker believes that to accept or execute such an order or instruction will or may contravene a law or regulation or if the order is out of the limits of the available fund balance or available stock balance of the client.

5.12 Stock Broker may employ/authorize sub brokers and/or agents to act on its own behalf or on behalf of the client, in connection of execution of any order or consummation of any order dealing hereunder, and Stock Broker shall be responsible only for reasonable care in the selection, appointment and/or action of such Sub-broker and/ or agent.

5.13 In the event of amount outstanding from the client, the Stock Broker may, but shall not be bound to, at its discretion and at the risk and cost of the client, at any time square off all or any outstanding positions of the clients on any / all exchanges(s) and segment (s) in such manner as Stock Broker thinks fit and without any prior notice to or approval of the client. The client agrees to pay and bear and pay the losses arising from such square off in particular and without prejudice to the loss generated of the above. If the client has entered into a short sale or long purchase then 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 short sale or long purchase position on any day, at the price determined by Stock Broker or at market price and in any manner as Stock Broker thinks fit, or permit the Exchange to close or auction such position ; and the aforesaid shall be at the client's risk and cost including brokerage, trade transaction charges and penalty on square off / close out .



5.14 Stock Broker shall have the right to retain and/or set off and adjust any amounts payable to the client against any present or future receivables from the client. (Whether accrued or contingent) More particularly Stock Broker shall have the right to;

- (i) Set off and adjust all funds receivables collateral/ margins of the client lying with Stock Broker and/or with the designated Bank with whom the bank account is maintained and / or any amount payable to the client against the dues and receivables of, and amounts payable by the client, across segments and/or exchanges for the settlement of dues and/or for margin / collateral requirements of the client without any reference/notice to the client.
- (ii) Set off and adjust all securities of the client lying with the Stock Broker or with the designated Depository Participant with whom the designated depository account is maintained across segments and/or exchanges for the settlement of the client's outstanding positions in any segment of exchange, without any reference or notice to the client.
- (iii) Set off/ adjust all funds receivables collateral/ margins of the client lying with the Stock Broker and/or with the designated Bank with whom the bank account is maintained and/or any amounts payable to the client, as well as all securities of the client lying with Stock Broker and/or the designated Depository Participant with whom the depository account is maintained in relation to a particular service, against all present and future dues and receivables of, and amounts payables by the client in relation to any other service or for the settlements of the clients outstanding positions in relation to any other service, without any reference to the client.

The client hereby waives any and all objection to, and hereby authorizes Stock Broker to adjust / appropriate its

funds receivables and margins collaterals and/or securities as aforesaid.

## 6. ORDER MODIFICATION / CANCELLATION:

- 6.1 In the event the Client desires to modify / cancel the order (Cash and / or Derivatives segments respectively) then the same may be informed to the Stock Broker by telephone or orally or in writing by sending a fax or through E-mail, sms, chat for modifying / canceling the order (Cash and / or Derivatives segments respectively) on the trading system by the Stock Broker. Upon such modification / cancellation of order (Cash and / or Derivatives segments respectively) by the Stock Broker, the Client shall be informed within a reasonable period of time by telephone or orally or in writing or by sending a fax to the Client or through E-mail, sms, chat, if available with the Client. However, if the order (Cash and / or Derivatives segments respectively) results in a trade in the meantime, the requests for modification or cancellation cannot be executed by the Stock Broker.
- 6.2 In the event of the Client requires an executed trade (Cash and / or Derivatives segments respectively) to be cancelled, the Client shall give the request for trade cancellation in writing and the Client further agrees that the right to approve or reject the cancellation of trade rests with the exchanges.
- 6.3 When the Client places a request to cancel an order, the cancellation of that order is not guaranteed. The order will only be cancelled if the Client's request for cancellation is received and the order is successfully cancelled before it is executed.
- 6.4 The Client shall not be entitled to presume an order as having been executed or canceled until a confirmation from the Stock Broker is received by the Client.
- 6.5 The Exchange may annul a trade suo-moto without giving a reason therefore. In the event of such annulment, the Stock Broker shall be entitled to cancel the relative contract(s) with the Client.



## **7. SHORTAGES:**

In case of purchase of securities in Cash Segment by the Client, at times the Stock Broker may be unable to deliver the securities to the said purchaser on the pay out day on account of events out of the control of the Stock Broker such as non receipt of the securities from the exchange(s), non receipt of the said securities from another Client of the Stock Broker who has sold the securities against the said purchase transaction. In cases of such short delivery, the securities shall be delivered to the purchaser as per the policy of the Stock Broker as amended from time to time.

## **8. OBLIGATIONS IN THE EVENT OF SHORT SALES**

In the event that the Stock Broker makes a short sale of any securities on the instructions of the Client in Cash segment and the latter fails to deliver the securities either, fully or in part, the Stock Broker shall have the express authority, and the Client hereby gives to the Stock Broker such express authority, to buy or otherwise arrange for the securities in question to meet the obligations arising out of such failure of the Client, without any further reference to the Client. The Client shall be responsible for any loss that may be sustained by the Stock Broker as a result of such failure of the Client.

Notwithstanding the aforesaid, the Stock Broker shall be entitled in its discretion, to effect a short delivery to the Client for a purchase trade in Cash segment, inter alias, where the counter-party, being the seller(s) in the respective transactions, deliver(s) short to the exchange, and exchange is not able to buy-in the Securities falling short on behalf of the defaulting party and therefore closes out the transaction as per the Rules, Byelaws and Regulations of the exchange.

## **9. CLOSE OUT**

Without prejudice to the Stock Broker's other rights (including the right to refer a matter to arbitration), the Stock Broker shall be entitled to liquidate/close out all or any of the Client's position in Cash and / or Derivatives segments for non-payment of margins, other amounts due from the Client to the Stock Broker, exchange, a Clearing Corporation, any agent or Sub-broker of the Stock Broker and/or any other individual,

partnership, corporation, company, organization, association, trust or other entity acting for or on behalf of the Stock Broker, or any other outstanding debts, etc and adjust the proceeds of such liquidation / closing out, if any against the Client's liabilities/obligations as set out herein. Any and all losses, financial charges and/or incidental expenses incurred by the Stock Broker on account of such liquidation/closing out shall (at the discretion of the Stock Broker), be reimbursed by the Client/charged to and borne by the Client/ deductible by the Stock Broker from the monies and/or collateral margin in Cash and / or Derivatives segments of the Client available with the Stock Broker.

## **10. DISCRETION**

The client authorizes the Stock Broker to use his discretion to buy, sell or close out any part or all of the positions held in the clients account with the Stock Broker for the protection of the Stock Broker. The client agrees to reimburse any or all such incidental expenses incurred by the Stock Broker.

## **11. TRANSACTIONS AND SETTLEMENTS**

11.1 All orders for purchase, sale or other dealings in securities and other instructions routed through the Stock Broker's internet and other trading System via the Client's Username shall be deemed to have been given by the Client.

11.2 The orders and instructions and all contracts and transactions entered into pursuant thereto and the settlement thereof will be in accordance with the Exchange Provisions. The Stock Broker shall be free to prescribe from time to time deadlines for payment that are reasonably in advance of the deadline for pay-in by the Stock Broker to the stock exchange's clearing system. The Client shall adhere to such payment deadlines and delays shall attract interest in accordance with this document.

11.3 The Stock Broker may from time to time impose and vary limits on the orders which the Client can place through the Stock Broker's internet and other Trading System (including exposure limits, turnover limits, limits as to the number, value and/or kind of securities in respect of which orders can

be placed, the companies in respect of whose securities orders 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, and the Stock Broker may be unable to inform the Client of such variation, reduction or imposition in advance. The Client agrees that the Stock Broker shall not be responsible for such variation, reduction or imposition or the Client's inability to route any order through the Stock Broker's internet and other trading System on account of any such variation, reduction or imposition of limits. The Client understands and 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 orders or trade in securities through the Stock Broker.

11.4 Though orders will generally be routed to the Exchange's computer systems within a few seconds from the time the order is placed by the Client on the Stock Broker's internet and other trading System, the Stock Broker shall not be liable for any delay in the execution of any order or for any resultant loss on account of the delay.

11.5 The Client agrees that the Stock Broker may, at its sole discretion, subject any order placed by a Client to manual review and entry, which may cause delays in the processing of the Client's order or may result in rejection of such order.

11.6 In case of a market order, the Client agrees that he will receive the price at which his order is executed by the exchange's computer system; and such price may be different from the price at which the security is trading when his order is entered into the Stock Broker's internet and other trading System.

11.7 All securities and/or funds in the designated Accounts respectively or in the client account or otherwise with Stock Broker (whether such accounts be single or joint) shall be subject to a lien for the discharge of any or all current or future indebtedness or any other obligation (including contingent

indebtedness or obligation) that the client may have towards or through Stock Broker and/or its Business Associate; and the same may be held by Stock Broker as security for the discharge thereof. In enforcing its set off lien and/or other rights, Stock Broker may, in its sole discretion determine which securities are to be sold or appropriated, which account is to be debited or which outstanding positions are to be closed.

11.8 All Cheques, drafts, pay orders etc issued by the client against his/its pay-in/collateral / margin/ other charges etc shall be strictly containing his/its client code (trading account code) or unique client code. The client agrees and confirm that any Cheques, demand draft, pay order issued without such details shall not be credited in the client's ledger account unless verification, to the satisfaction of Stock Broker is produced by the client, and the client shall not claim the said amount from Stock Broker in the event that such is credited to any other client's account.

The client agrees that payment instrument tendered by him shall always be subject to realisation. The tendering of payment instrument to FSPL does not mean payment unless the same is credited to the bank account of FSPL as available credit.

The client hereby authorizes the Stock Broker to keep the utilized margin deposit / credit balance lying with the Stock Broker in bank deposit and/or in such other mode / instrument as may be permitted by the exchanges / SEBI from time to time. The client hereby further agrees and confirm that any benefit including interest arising out of the above will be solely of Stock Broker and client shall not have any right, share or claim in such benefit including interest earned from the utilized margin deposit / credit balance kept in bank deposit and in such other mode / instrument as may be permitted by the exchanges / SEBI from time to time.

11.9 The client shall not acting alone or in concert with others, directly or indirectly hold and control derivatives future contract in excess of the number of permitted futures contracts as fixed from time to time by the exchange.

11.10 The client shall not exercise a long purchase or short sale, whether acting alone or in concert with others, directly or indirectly, in excess of the number of permitted futures contracts as may be fixed from time to time by the exchange.

fully liable and responsible for any and all unauthorised use and misuse of his Password and/or Username and also for any and all acts done by any person through the Stock Broker's internet System on the Client's Username in any manner whatsoever.

## 12. USER NAME AND PASSWORD

12.1 The Client will be entitled to a username and password, which will enable him to access the Stock Broker's Internet System and other trading system or any other Services.

12.2 The Client is aware that the Stock Broker's Internet System itself generates the initial password and that the Stock Broker is aware of the same. The Client agrees and undertakes to immediately change his initial password upon receipt thereof. The Client is aware that subsequent passwords are not known or available to the Stock Broker.

12.3 The Client shall be responsible for keeping the Username and Password confidential and secure and shall be solely responsible for all orders entered and transactions done by any person whosoever through the Stock Broker's internet and other System using the Client's Username and/or Password whether or not such person was authorized to do so.

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

12.5 The Client acknowledges that he is fully aware of and understands the risks associated with availing of a service for routing orders over the Internet including the risk of misuse and unauthorized use of his Username and/or Password by a third party and the risk of a person hacking into the Client's account on the Stock Broker's internet System and unauthorisedly routing orders on behalf of the Client through the System. The Client agrees that he shall be

12.6 The Client shall log off from the internet Service at any time the Client is not accessing or using the Service and any liability incurred to the Client as a consequence of the Client not logging off the Service shall borne solely by the Client.

12.7 Without prejudice to the provisions of above clause, the Client shall immediately notify the Stock Broker in writing with full details if:

- (i) he discovers or suspects unauthorised access through his Username, Password or account,
- (ii) he notices discrepancies that might be attributable to unauthorised access,
- (iii) he forgets his password or
- (iv) he discovers a security flaw in the Stock Broker's internet and other trading System.

12.8 In any of the above events specified in above clause, 12 the Client shall immediately change his Password. However, if the Client is unable to change his Password by reason of his having forgotten his Password or his Password having been unauthorisedly changed by some other person or for any other reason then the Client shall immediately request the Stock Broker in writing to discontinue his old Password; and thereupon the Stock Broker shall cause the Stock Broker's internet System to discontinue the use of the Client's old Password and the Stock Broker's internet System shall generate a new Password for the Client which shall be communicated to the Client. At no point 12 in time shall the Stock Broker be liable for any loss, whether notional or actual, that may be suffered by the Client on account of the misuse of the Password.

### **13. ISSUE OF DIGITAL CONTRACT NOTES, BILLS, ACCOUNT STATEMENTS AND PERIODIC REPORTS**

13.1 The Client hereby agrees to receive the contract notes, bills, ledgers, transaction statements, reports, letters, circulars, notices, etc. in electronic form through email id provided by client to the Stock Broker.

13.2 The Stock Broker shall send the e-contract notes, bills, ledgers, transaction statements, reports, letters, circulars, notices, etc. to Client for the trades/ transactions done on the Exchange.

13.3 Client hereby agrees to complete the necessary formalities that are required to be completed with regard to the provisions of the Information Technology Act, 2000 and the procedure prescribed for receiving the e-contract notes from the Stock Broker in respect of the trades/transactions done through the terminal of the Stock Broker.

13.4 Client shall provide the email id to enable the Stock Broker to send the e-contract notes, bills, ledgers, transaction statements, reports, letters, circulars, notices, etc. from time to time to client through the software installed at the Stock Broker's end and client shall initially download Signature Verifier utility or any other software as may be advised by the Stock Broker from time to time on client's computer and the same shall be used for receiving, viewing, storing the e-contract notes, bills, ledgers, transaction statements, reports, letters, circulars, notices, etc. that shall be sent by the Stock Broker from time to time in respect of the trades/ transactions/transfer of securities that have been executed by the client through the terminal of the Stock Broker.

13.5 Client shall be responsible to retrieve and retain the e-contract notes, bills, ledgers, transaction statements, reports, letters, circulars, notices, etc. in electronic form through e-mail id. The Stock Broker shall upon the written request by client may provide/forward the e-contract notes, bills, ledgers, transaction statements, reports, letters, circulars, notices, etc. in respect of the relevant period required by the client to the email id of client.

13.6 The Stock Broker shall provide the Signature Verifier utility (Digital Signature Verification) to the client and the client shall use the password/Digital Signature password for viewing, retrieving the e-contract notes, bills, ledgers, transaction statements, reports, letters, circulars, notices, etc. sent to client from time to time through the Signature Verifier utility provided by the Stock Broker. The client acknowledges that the service may require the client to use a password/Digital Signature password and the email account and that the client will be responsible for the confidentiality and proper use of the same at all times.

13.7 The Client hereby agrees that the e-contract notes, bills, ledger, transaction statements, reports, letters, circulars, notices etc, in Cash and /or Derivatives segments that are sent from time to time to the client's email id duly digitally signed and encrypted as attachment or otherwise shall be deemed to have been delivered to the client in the event of non receipt of bounced mail notification by the Stock Broker through e-mail id. Further, the client hereby agree that if no queries are raised in respect of trades / transactions or transfer of securities that are appearing in the e-contract notes, bills, ledger, transaction statements, reports, letters, circulars, notices etc. issued to the client from time to time by Stock Broker, Stock Broker shall not be responsible for non delivery and it shall presume.

### **14. COLLATERAL AND MARGIN**

14.1 The client agrees and undertakes to immediately deposit with Stock Broker, such amount of and such type of collateral and margin, as Stock Broker may in its sole discretion from time to time requires as and by way of an interest free collateral / margin. The manner in which the client shall validly deposit such collateral margins is set out in following clauses.

14.2 Stock Broker shall have the sole and absolute discretion to refuse any collateral/ margin offered by the client and shall be entitled in its sole discretion to revise the amount of and/or modify or revise the type of collateral/margin it shall require from the



client from time to time. Stock Broker shall also be entitled to prescribe haircut percentages from time to time in relation to any collateral / margin and revise the same at any time without giving any prior notice to the client. Current haircut percentages in relation to collateral / margins shall be provided by Stock Broker shall be otherwise available upon demand at Stock Broker office(s) and/or the offices of its Business Associates, and the client agrees to keep himself updated in respect thereof.

14.3 The client hereby gives to Stock Broker an irrevocable and unconditional right to appropriate any collateral or margin, without any reference to the client in order to discharge any indebtedness or any other obligation (including contingent indebtedness or obligation) that the client may owe to Stock Broker and/or Business Associate.

14.4 Without prejudice to the provisions of aforesaid clauses (including the right to refer a matter to arbitration) in case the client does not provide the required collateral / margin or other amounts, outstanding debts, act, within the time frame specified by Stock Broker, Stock Broker shall have the right to;

- (i) Appropriate and/or transfer and/or sell all or any securities cash or collateral in the client account and/or instruct the designated bank/ business associate and / or designated depository participant (as the case may be) with whom the accounts are maintained to sell and/ or transfer all or any funds securities in any account and retain the proceed thereof;
- (ii) Liquidate / close out/square off all or any outstanding positions.
- (iii) Prevent any new orders from being placed and/ or executed by the client; and or
- (iv) Take such other action as Stock Broker thinks fit and proper.

Stock Broker may exercise all or any of the above rights in such manner as it thinks appropriate,

without demand for additional margin or collateral or advance notice. Any prior demand call or notice given in this regard shall not be considered as a waiver of Stock Broker right to exercise its rights without any such demand, call or notice.

It is clarified for the avoidance of doubt that all losses, financial charges on account of such liquidation/closing out as is referred to in clause (ii) above shall be charges to and borne by the client.

14.5 Stock Broker shall be entitled to debit all costs / expenses incurred by it in relation to or associated with the margins/collaterals of the client to the client account.

## **15. CREATION OF CHARGE / LIEN OVER COLLATERAL / MARGIN**

15.1 Stock Broker shall from time to time prescribe and/or vary the manner in which any collateral margin can be secured in favor of Stock Broker.

15.2 Without prejudice to the generality of the provisions contained in Clause above, Stock Broker may require the client to furnish all or any of the following;

- (i) Securities: In case of collateral/ margins, in the form of those equity shares as approved by Stock Broker from time to time for deposit by the client as collateral / margin. The said equity shares shall be secured in favor of Stock Broker.
- (ii) In the case of collateral / margin of a type or nature other than as aforesaid, that Stock Broker may from time to time accept as collateral/margin, the manner in which such collateral/ margin shall be validly deposited with Stock Broker shall be such as shall be prescribed by Stock Broker from time to time in relation to such type of collateral/margin.
- (iii) The client authorizes Stock Broker to set off and adjust the outstanding debit balance in its client account against credit available in any other account with any other companies of Stock Broker & vice versa.



- (iv) The client agrees that all monies, securities or other property that may be held by the Stock Broker on the client's account shall be held subject to a general lien for the discharge of the client's obligation to the Stock Broker under this document.

## **16. APPOINTMENT OF BROKERS AND / OR AGENTS**

The Stock broker may employ/ authorize sub-brokers and/or agents to act on its own behalf or on behalf of the Clients in connection with execution of any other or consummation of any other dealing here under, and the Stock Broker shall be responsible only for reasonable care in the selection, appointment and/or action of such sub-broker and/or agent.

## **17. TRADING IN SECURITIES OTHER THAN ON THE FLOOR OF THE STOCK EXCHANGE**

The Stock Broker shall at its discretion provide the following services to Clients, as and when the Stock Broker may deem fit thro' notification in this regards on its website on the conditions stated hereinafter:

17.1 The Stock Broker or the concerned Mutual Fund / Issuer or their respective registrars shall entertain online transactions request and / or requests made through telephone in the manner provided under this document.

17.2 The Client undertakes to read all the relevant offer documents and terms and conditions of all schemes of all mutual funds, other securities including Initial Public Offerings, Right Issue Buyback Offers, etc. offered through its website; before entering into any transactions through its website.

17.3 The Client is requested to check up the personal and bank related details provided by him. Neither the Stock Broker nor any of the Mutual Funds / Issuers chosen shall accept any liability which may arise as a consequence of the erroneous information provided by the client.

17.4 In case of Mutual Fund, the units of schemes shall be allotted, redeemed or switched, as the case may be, at the Net Asset Value prevalent on the date of the

application, if the application for purchase, redemption or switch is received by the Fund before the cut off time as specified on the web site and consistent with the terms of the Scheme. The Stock Broker shall take all the necessary action to ensure that the NAV allotted is the NAV applicable on the date of transaction. However the Stock Broker shall not be liable for any loss that may arise to the client as a result of correct NAV not being allotted to the client's transactions on the website. Any request falling due on holiday would be processed on the next business day and respective NAV would be applicable as per the mutual funds offer documents.

17.5 In case of other securities, the order of purchase, sell, offer under Buy Back etc. shall be accepted by the Stock Broker only if the same is received by the cut off date as indicated on the website and consistent with the terms of offer.

17.6 The client can view his / her / its transactions on the web site. The physical copy of the transactions statement or the account statement shall be sent only on the request of the client.

17.7 The Stock Broker does not accept any liability for delay in processing time at the Mutual Fund's / Issuers or Registrars' end.

17.8 It is explicitly stated herein that the Mutual Funds Schemes / Offer Documents / other schemes offered by the Stock Broker, has not been recommended by the Stock Broker.

17.9 Neither the Stock Broker, nor any of the Mutual Funds / nor the Issuer shall be liable for any failure to perform its obligations, to the extent that such performance has been delayed, hindered or prevented by system failure, network errors delay or loss of data due to above and in circumstances of acts of God, floods, epidemics, quarantine, riot or civil commotion or war.

17.10 The Stock Broker shall provide its services on a best efforts basis. However the Stock Broker shall not be liable for any failure or for any loss, damage or other cost arising in any way out of:

System failure including failure of ancillary or associated systems, or fluctuations of power, or other acts of God/force majeure;

Accident, Transportation, neglect, misuse, errors, frauds of the client's or agents or any third party, or

Any fault in any attachments or associated equipments of the client;

Any incidental, special or consequential damages including without limitations of loss of profit.

## **18. TAPE RECORDING OF CLIENT CONVERSATION**

The Client is aware that the Stock Broker may tape-record the conversations between the Client or the Client's representative and the Stock Broker, either personally or over the telephone, and the Client hereby specifically permits the Stock Broker to do so in Cash and/or Derivatives segment transactions. Such electronic recordings may be relied upon by the Stock Broker as and when required to resolve disputes in connection with the trading transactions.

## **19. INDEMNIFICATION**

The Client shall indemnify and keep indemnified the Stock Broker harmless from and against all claims, demands, actions, proceedings, loss, damages, liabilities, charges and / or expenses that are occasioned or may be occasioned to the Stock Broker directly or indirectly, owing to bad delivery of shares / securities and / or as a result of fake / forged / stolen shares / securities / transfer documents that are introduced or that may be introduced by or through the Client during the course of its dealings/operations in Cash and / or Derivatives segments on the Exchange(s).

## **20. ATTACHMENT**

The Stock Broker shall not be liable for refusing to obey orders in Cash and / or Derivatives segments given by or for the Client with respect to its account(s) with the Stock Broker (including without limitation any Client Account) which has or have been subject to attachment in any legal proceeding or under any applicable law for the time being in force, against the Client and the Stock Broker shall not be under any obligation to contest the validity of such attachment or

sequestration. Further, the Client shall be liable to indemnify the Stock Broker from and against any loss or expense suffered and/ or incurred by the Stock Broker as a result of such attachment.

## **21. BROKERAGE, COMMISSIONS, FEES, AND SPECIAL FINANCIAL CHARGES**

21.1 The client agrees to pay Stock Broker brokerage, commission, fees, service tax, other tax, trade/ transaction expenses and statutory levies as they exist from time to time and as they apply to the client for the services and the modes made available. Stock Broker may deduct and appropriate any of the aforesaid amount from any amount payable by Stock Broker to the client or may instruct the designated bank with whom the bank account is maintained and/or business associate (as the case may be) to transfer such amount to Stock Broker from any bank account.

21.2 The client agrees that Stock Broker may from time to time in its sole discretion but subject to the exchange provisions determine and modify the amount of brokerage, commissions, fees and other amounts payable by the client. A schedule of current brokerage, fees and commissions, applicable service and other taxes and other trade/ transaction expenses shall be available upon demand at Stock Broker's office(s) and / or the office(s) or business associates notified by Stock Broker for this purpose, and the client agrees to keep himself updated in respect thereof;

21.3 Without prejudice to any other provision of this document the client understand and agrees that Stock Broker may charge an additional financial charges according to the usual custom of the market.

On the dealing made under or pursuant to this document

For any extra service(s) rendered by the Stock Broker or

On the balance outstanding payable to the Stock Broker. The client agrees that without prejudice to any other remedy or right prescribed in these presents, the Stock

Broker may charge interest at 2% per month or such other rate as may be communicated from time to time for any delay in the payment of balance, charges, margin or any others sum due to the Stock Broker as the case may be.

For such extra / reasonable costs, including legal fees, incurred by the Stock Broker for collecting the dues payable by the client to the Stock Broker, an exchange, a clearing corporation / clearing house, any agent or sub broker of the Stock Broker and/or any other individual, partnerships, corporation, company, organization, associates, trust or other entity acting for or on behalf of the Stock Broker.

## **22. (i) DEFAULT**

The client agrees that he shall be deemed to have defaulted these terms in circumstances including, but not restricted to the following:

Any delay in payment of dues, margins, charges or delivery of securities in respect of the document for transactions executed on behalf of the client.

Any contravention of the terms contained in the document or on the website.

Any misrepresentation or false statement or omission or misleading information supplied by the client to the Stock Broker.

## **(ii) CONSEQUENCES UPON DEFAULT:**

In the event of default under these terms and conditions by the client, the Stock Broker shall be entitled to any or all of the following courses of action:

Termination of provision of services.

Other remedies as may be available in terms of the law in force at that point of time.

## **23. CONFIRMATION**

23.1 It is hereby specifically agreed that the client will call the Broker and take confirmation from the Broker or access the same on his / its email ID. Any discrepancies in the trades for the day must be pointed out at the time of confirmation or latest before the

opening of the market the next day failing which the Stock Broker will not be liable for the resultant financial loss, if any. The client confirms the acceptance of contract note through email ID and in the event of non receipt of the same for any reasons within 24 hours accepts to download from the website [www.Finquest1.com](http://www.Finquest1.com) when such facility is provided by the Stock Broker. In case the client does not point out discrepancy, if any, within 24 hours of receiving the contract note, the same shall be treated as correct. It shall be the responsibility of the client to send the original contract note in case of discrepancy to the Stock Broker within 24 hours of receipt.

23.2 Online confirmation will be available to the Client upon execution or cancellation of an order placed by him through the Stock Broker's internet System. This shall be followed by a confirmation, which may be sent by postal mail, electronic mail or other electronic means. It is the responsibility of the Client to review upon first receipt, whether delivered to him online, by postal mail, by electronic mail, or other electronic means, all confirmations of transactions or cancellations.

## **24. INFORMATION:**

The Client agrees to furnish such details including details as regards financial position, assets, liabilities etc. as and when required to do so by Stock Broker.

## **25. INSIDER TRADING, MANIPULATIVE, FRAUDULENT AND UNFAIR TRADE PRACTICES**

The client hereby agrees that he has fully understood and is aware of Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities market) Regulations, 2003, and the SEBI (Prohibition of Insider Trading) Regulations, 1992. The client represents, warrants and agrees that he shall not indulge into any act or carry out any transaction or transactions, directly or indirectly which are in violation of acts, rules, regulations, bye-laws and circulars governing securities transactions. The client further agrees to provide such information as may be sought by the Stock Broker in connection with any

enquiry or investigation from any authority and shall provide all necessary assistance as sought by the Stock Broker.

## **26. INVESTMENT ADVICE**

26.1 The Client acknowledges that the Stock Broker 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.

26.2 The Client also acknowledges that the Stock Broker's employees are not authorized to give any such advice and that the Client will not solicit or rely upon any such advice from the Stock Broker or any of its employees.

26.3 The Client agrees that in the event of the Stock Broker or any employee or official of the Stock Broker providing any information, recommendation or advice to the Client, the Client may act upon the same at the sole risk and cost of the Client, and the Stock Broker shall not be liable or responsible for the same.

26.4 The Client assumes full responsibility with respect to his investment decisions and transactions.

26.5 The Stock Broker, its officers, directors, partners, employees, agents and affiliates will have no liability with respect to any investment decisions or transactions of the Client.

## **27. REPRESENTATIONS AND WARRANTIES OF CLIENT:**

The Client represents and warrants to the Stock broker that:

27.1 All the information provided and statements made in the Client's internet or other Account Application are true and correct and are not misleading (whether by reason of omission to state a material fact or otherwise) and the Client is aware that the Stock Broker has agreed to provide the Stock Broker's internet Service to the Client on the basis, inter alia, of the statements made in the Client's internet Account Application.

27.2 The Client is aware and acknowledges that trading over the Internet and other trading terminals involves many uncertain factors and complex hardware, software, systems, communication lines, peripherals, etc. which are susceptible to interruptions and dislocations; and the Stock Broker's internet Service and other trading terminals may at any time be unavailable without further notice. The Stock Broker and the Exchange do not make any representation or warranty that the Stock Broker's internet Service and other terminals will be available to the Client at all times without any interruption. The Client agrees that he 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 internet System or other Services or the Exchange's service or systems for any reason whatsoever.

27.3 The Client has required legal capacity to, and is authorized to, enter into this Agreement and is capable of performing his obligations and undertakings hereunder.

27.4 All actions required to be taken to ensure compliance of all the transactions, which the Client may enter into pursuant to this document with all applicable laws, shall be completed by the Client prior to such transaction being entered into.

27.5 The Client shall abide by the Exchange Provisions and the terms of the Stock Broker's internet Website in force from time to time.

27.6 Any instructions given by an authorized representative of the Client to the Stock Broker (or to the Stock Broker's representative) shall be binding on the Client.

27.7 The Client agrees that he will not act or represent himself / itself as Sub-Broker of the Stock Broker without prior written permission of the Stock Broker and without obtaining certificate of registration from Securities & Exchange Board of India (SEBI).



27.8 During the currency of the document, it shall be the duty of the Client to inform the Stock Broker/ sub-broker immediately of any change in constitution, change of name, residential status or any other information as provided by the Client at the time of entering into this document.

27.9 The client agrees and understands that the use of the service by clients, resident or situated outside India, may be subject to the Indian Foreign Exchange Management Act 1999, and the Rules and regulation framed there under and/or other international, federal, state and/or local laws and regulations applicable to such clients, it shall be the sole responsibility of such clients and to ensure and comply at all times with such regulations and the clients indemnifies Stock Broker, its directors, employees, business associates, agents, and affiliates from and against and all losses, claims, liabilities and/or expenses which may arise as a result of any failure by the client to comply with the provision of this document.

## **28. REPRESENTATIONS AND WARRANTIES OF THE STOCK BROKER**

The Stock Broker represents and warrants to the Client that the Stock Broker's internet and other trading System have been approved by the Exchange. Where the internet system has not been approved by the Exchange, the Stock Broker has applied/ proposes to apply to the Exchange to approve the said internet System and the Stock Broker will commence the Stock Broker's internet Service only after the Exchange has approved the Stock Broker's internet System.

## **29. SHARING OF INFORMATION:**

29.1 The Client agrees to immediately furnish information to the Stock Broker/sub-broker in writing in the event that:

- Any winding up petition or insolvency petition, or order has been filed or passed against the Client;
- Any garnishee order has been served upon Client or in respect of Client's obligation;
- Any litigation has been filed against the Client;

- Any order, decree or award is passed against the Client; and / or
- Any other event or circumstances occurs that has or is likely to have an adverse effect on the financial position of the Client.

29.2 Upon receipt of information from the Client as aforesaid, the Stock Broker shall be entitled to take such action (in its absolute discretion) as it may consider necessary in order to protect its own interests, including without limitation, liquidating / closing out all outstanding positions of the Client. Any and all losses, financial charges and / or incidental expenses incurred by the Stock Broker on account of such liquidation / closing out shall (at the discretion of the Stock Broker), be reimbursed by the Client / charged to and borne by the Client / deductible by the Stock Broker from the monies and / or Clients collateral / margin available with the Stock Broker.

## **30. LIMITATION OF LIABILITY:**

30.1 The client agrees that under no circumstances including negligence shall Stock Broker or anyone involved in creating, producing, delivering and managing Stock Broker services or system be liable for any direct, indirect incidental, special, general, remote or consequential damages arising out of the use or inability to use or the availability or no availability of the services including but not limited to loss or damage in relation, to (a) loss of profits, trading losses, loss of opportunity or damages that result interruption, delay or loss of the use of the service (b) any claim, loss or damage attributable to errors, omissions or other inaccuracies in the content or Stock Broker website or Internet trading service (c) any unauthorized use, access or alternation or discontinuance of any services, or (d) any other matter relating to the services.

30.2 The client understands and agrees that the services are being provided by Stock Broker with the assistance and technology of some of its affiliates/ associates. Stock Broker disclaims the liability and responsibility and the client agrees and accepts that Stock Broker shall not be liable for any and all loss or damage incurred or suffered by the



client or any one else as a result of any action, advice, failure or default attributable to such affiliates/ associates.

such information he shall do so at his own risk and cost.

The client is authorized to use at the client's risk materials which are made available by Stock Broker services for the clients own needs only and the client is not authorized to resell or permit access to such materials or to take copies of any such materials or sale or supply to or use by others. The client will not delete Registered Trademarks, copyright or any other intellectual property rights, if any, noticed from any such materials.

### **31. INDEMNITY:**

31.1 The client agrees to indemnify and hold Stock Broker, its Directors, employees, partner, Business Associates, agents and affiliates harmless from and against any and all claims, losses, liability costs expenses (including but not limited to lawyer's fees and penalties or costs imposed by any Exchange and proceedings) arising from out of, or in connection or in relation to the breach of any obligation by the client under or any representations warranty and/or covenant made by the client in this document, Any third party's right arising out of the services rendered by Stock Broker pursuant to this document and Any other wrongful act on the part of the client.

31.2 Neither party shall be responsible / liable, in any manner, for any violation and/or breaches committed by the other party in complying with its obligations under applicable law, government notifications any rules regulations and guidelines issued by SEBI, the rules bye laws and regulations of the relevant exchange as well as the rules and regulations of the clearing house/ clearing corporation.

### **32. MARKET DATA**

32.1 The Client understands that the Exchange asserts a proprietary interest in all of the market data it furnishes, directly or through the Stock Broker or otherwise. The Client understands that the Exchange does not guarantee the timeliness, sequence, accuracy or completeness of market data or any other market information, or any messages disseminated by it. Neither the Stock Broker nor the Exchange shall be liable in any way for incorrect, misleading, incomplete or dated data or information and, if the Client acts on the basis of the same, he shall do so at his own risk and cost.

32.2 The Client shall not furnish market information provided by the Exchange to any other person or entity for consideration or otherwise and in the event the Client uses

### **33. DISCLOSURES BY STOCK BROKER TO CLIENT**

The Stock Broker discloses to the Client that the Stock Broker may carry on trading in own account in Cash and / or Derivatives segments, as the case may be (i.e. proprietary trading) in addition to acting as agent to the Client for the transactions done on Cash and / or Derivatives segments in exchanges.

### **34. RESERVE BANK OF INDIA GUIDELINES:**

The client is aware that as per the RBI Guidelines, the Foreign Institutional Investors (FIIs), Non Resident Indians (NRIs), and Persons of Indian Origin (PIOs) are allowed to invest in the secondary capital markets in India through the Portfolio Investment Scheme (PIS). Under this scheme, FIIs/ NRIs can acquire the shares/ debentures of Indian companies through the Stock exchanges in India. These investments are governed and monitored on daily basis by Reserve Bank of India (RBI). On reaching the aggregate ceiling limit as fixed by RBI from time to time, RBI advises all designated bank branches to stop purchases on behalf of their FIIs/ NRIs/PIOs clients. RBI also informs the general public about the 'caution' and 'stop purchase' in these companies through press release. The client being FII/NRI/PIO hereby acknowledges that he is aware of the RBI Guidelines in relation to his investment in the secondary market in India. The client hereby agrees to keep himself abreast of the ceiling limits on the investments as published by RBI from time to time and also agrees that he shall immediately reverse his transaction, if such transaction breaches the ceiling limits as imposed by RBI. In case the client does not /is

unable to reverse such transaction immediately, the client authorizes the Stock Broker to do so under intimation to the client.

### **35. AMENDMENT**

Stock Broker may at any time amend this document (and related documents entered into by the client with Stock Broker by modifying or rescinding any of its existing provisions or conditions or by adding any new provisions or conditions, by conspicuously posting notice of such amendment on Stock Broker website or by providing written notice thereof to the client. Continued use of Stock Broker service after such notice will constitute acknowledgement and acceptance of such amendment.

### **36. ASSIGNMENT**

The client shall not assign any right and obligations hereunder without obtaining prior written consent from Stock Broker.

### **37. TERMINATION OF DOCUMENT**

This document shall be forthwith terminated in the death, insolvency, liquidation, winding up, dissolution as the case may be of the client and upon such termination the client and his legal heirs, executors and assigns and /or his accounts shall remain liable for all outstanding dues payable by the client to Stock Broker on account of any trading or dealing done by the client, prior to termination.

### **38. SEVERABILITY**

In the event of any clauses of this document being held to be or becoming invalid, unenforceable or illegal for any reason such invalidity, unenforceability or illegality shall attach only to such provision or condition and this document shall remain otherwise in full force apart from the said provision which will be deemed deleted. The validity of the remaining clauses and conditions shall not be affected thereby and this document shall be carried out as if any such invalid or unenforceable provision or condition was not contained herein. Stock Broker shall however attempt to replace the deleted provision with a legally valid provision that reflects the same purpose as the deleted provision to the greatest extent possible.

## **39. NOTICES**

39.1 Any notice or other communication to be given by any party to the other in connection with this Document shall be in writing and shall be deemed duly served if delivered personally or sent by facsimile transmission or by prepaid registered post or by e-mail to the addressee at the address or (as the case may be), the e-mail or facsimile number (if any), of that party set opposite its name below:

- To the Stock Broker at the registered office and corporate office address
- To the Client at the address appended on Client Registration Form or at such other address, facsimile number or e-mail address as the party to be served may have notified the other in accordance with the provisions of this Clause.

39.2 Notwithstanding anything stated above, communication relating to orders, margins, maintenance calls and other similar matters in the ordinary course of dealings between the Stock Broker and the Client may be communicated orally.

## **40. EXTRA ORDINARY EVENTS/FORCE MAEJURE**

The Stock Broker and / or its agents will not be liable for losses caused directly or indirectly by government restriction, exchange or market rulings, suspension of trading, computer, communication, telephone or system failure, war, earthquakes, flood, accident, power failure, equipment or software malfunctions, strikes or any other conditions beyond the Stock Broker's control.

## **41. WAIVER**

No forbearance, relaxation or inaction by any party at any time to require the performance of any provision of this Document shall in any way affect, diminish, or prejudice the right of such party to require the performance of that or any other provision of this Document or be considered to be a waiver of any right, unless specifically agreed in writing.

## **42. LAW AND JURISDICTION**

42.1 This Document shall be governed by and construed in all respects in accordance with the laws of the Republic of India and, subject to the clauses of this document, the courts at Mumbai, India shall have jurisdiction over this Document and the arbitration proceedings in relation to the Document.

42.2 This Document and all contracts and transactions between the Stock Broker and the Client pursuant hereto shall be subject to the Exchange Provisions, the Rules, Bye-Laws, Regulations, and other provisions of its clearing house, if any, the provisions of the Securities and Exchange Board of India

Act, 1992, the Securities Contracts (Regulation) Act of 1956 and the rules and regulations made there under and as amended from time to time.

## **43. DISPUTE RESOLUTION**

Any claim, dispute or difference arising between the Parties hereto in respect of this Document or any contracts, dealings or transactions pursuant hereto or any rights, obligations, terms or conditions as contained in this Document or the interpretation or construction of this Document shall be subject to the grievance redressal procedure of the Exchange and shall be subject to the arbitration procedure as prescribed by the Exchange Provisions.

## **VOLUNTARY**

Dear Investor!!

### **Subject: Prevention of Money Laundering**

Money laundering is a process of making dirty money clean. Money is moved around the financial system again and again in such manner that its origin gets hidden.

It involves complex chain of activities whereby huge amount of money generated from illegitimate activities viz. selling of narcotic drugs, extortion, corruption, illicit dealing in weapons, human trafficking, etc. is put through a series of process so that it comes out at the other end as clean and legal money. Terrorist organizations encourage money laundering to support their illegal acts.

It is important to note that due to increased vigilance in the wake of threats emanating from increasing terrorism, any failure on our part to discharge the duties cast on us under the applicable laws or we becoming an instrumental or a part of the chain, even if unknowingly or ignorantly, may invite the trouble.

In order to fight against the money laundering and terrorist financing the Prevention of Money Laundering Act (PMLA) was brought into force w.e.f. July 1, 2005 in India. Guidelines were also issued in the context of the recommendations made by the Financial Action Task Force on anti-money laundering standards. Compliance with these standards has become imperative for international financial relations.

PMLA is applicable to every intermediary registered with Securities & Exchange Board of India (SEBI), which includes a stockbroker, depository participant, portfolio manager, sub-broker and any other intermediary associated with securities market.

As per the provisions of PMLA, the intermediaries are required to comply with Know Your Client (KYC) norms, conduct ongoing client due diligence to ensure that the activity being conducted in any account is consistent with the intermediary's knowledge of the client, its business and risk profile.

In light of the above, you are requested to provide the information or documents evidencing source of funds, income tax returns, bank records, demat holding, etc. at the time of registration as a client with us or subsequently whenever asked for during the course of your dealings with us.

For further details kindly visit our website: [www.finquestonline.com](http://www.finquestonline.com)