

PhillipCapital (India) Private Limited



Account Opening Kit – Booklet B

*Rights and Obligations of Stock Brokers, Sub Brokers and Clients including SLB.

*Risk Disclosure Document (RDD) for Capital Market and Derivatives Segments

*Guidance Note – Do's and Don'ts for Trading on the Exchange(s) for Investors

*Information on Prevention of Money Laundering Act 2002(PMLA)

*Other Terms and Conditions

*Investor Charter – Stock Brokers & Depository Participants (DP)

SEBI Registration No.	Membership Clearing No.
INZ000169632	BSE Cash - 416
	BSE F&O – TM ID- 416 ; CM ID - 416
	NSE CASH-14665
	NSE F&O – TM ID – 14465 ; CM ID :M51102
	NSE CURRENCY DERIVATIVES – TM ID: 14465 ;CM ID:M51102
	MSEI - 1129
	MSEI F&O – TM ID- 1129 , CM ID:129
	MSEI CURRENCY DERIVATIVES - TM ID- 1129; CM ID:129
	MCX - 8051 (TM), 8050 (CM)
	NCDEX - 1255

DP SEBI Regn no: IN-DP-516-2020 (NSDL & CDSL)

NSDL DP IN – IN302164 & CDSL DP ID – 12037900

PMS SEBI Registration No:- INP000004433

Regd Office :- No 1, 18th floor, Urmi Estate, 95, Ganpatrao Kadam Marg, Lower Parel (West), Mumbai - 400013 Ph: 022 – 24831919

Branches:- (i) Mumbai: 5/F, 513, Acme Plaza, Opp Sangam Theatre, Andheri Kurla Road, Andheri (E), Mumbai 400059, Maharashtra, India. Tel no: - +91 22 67596300.

(ii) Delhi: No. 9, 4th floor, ITL Twin Towers, Plot no. B-09, Netaji Subhash Place, Pitampura, Delhi 110034.India. Tel no: - +91 11 46070929

(iii) Bangalore: No 3, Asha Towers, Langford Cross Road, Bangalore 560025.Karnataka, India. Tel no +9180 41531500, +91 80 40458500 – 22

(iv) Kochi - 2nd Floor , Muthukayil Chambers, Gandhi Nagar (Opp. Fire station Kadavanthara, Kochi - 682017, India Tel No: + 91 0484 4117477

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).

CLIENT INFORMATION

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

MARGINS

11. The client shall pay applicable initial margins, withholding margins, special margins or such other margins as are considered necessary by the stock broker or the Exchange or as may be directed by SEBI from time to time as applicable to the segment(s) in which the client trades. The stock broker is permitted in its sole and absolute discretion to collect additional margins (even though not required by the Exchange, Clearing House/Clearing Corporation or SEBI) and the client shall be obliged to pay such margins within the stipulated time.

12. The client understands that payment of margins by the client does not necessarily imply complete satisfaction of all dues. In spite of consistently having paid margins, the client may, on the settlement of its trade, be obliged to pay (or entitled to receive) such further sums as the contract may dictate/require.

TRANSACTIONS AND SETTLEMENTS

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

BROKERAGE

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

LIQUIDATION AND CLOSE OUT OF POSITION

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

DISPUTE RESOLUTION

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

TERMINATION OF RELATIONSHIP

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

ADDITIONAL RIGHTS AND OBLIGATIONS

30. The stock broker shall ensure due protection to the client regarding client's rights to dividends, rights or bonus shares, etc. in respect of transactions routed through it and it shall not do anything which is likely to harm the interest of the client with whom and for whom they may have had transactions in securities.
31. The stock broker and client shall reconcile and settle their accounts from time to time as per the Rules, Regulations, Bye Laws, Circulars, Notices and Guidelines issued by SEBI and the relevant Exchanges where the trade is executed.

32. The stock broker shall issue a contract note to his constituents for trades executed in such format as may be prescribed by the Exchange from time to time containing records of all transactions including details of order number, trade number, trade time, trade price, trade quantity, details of the derivatives contract, client code, brokerage, all charges levied etc. and with all other relevant details as required therein to be filled in and issued in such manner and within such time as prescribed by the Exchange. The stock broker shall send contract notes to the investors within one working day of the execution of the trades in hard copy and/or in electronic form using digital signature.
33. The stock broker shall make pay out of funds or delivery of securities, as the case may be, to the Client within one working day of receipt of the payout from the relevant Exchange where the trade is executed unless otherwise specified by the client and subject to such terms and conditions as may be prescribed by the relevant Exchange from time to time where the trade is executed.
34. The stock broker shall send a complete 'Statement of Accounts' for both funds and securities in respect of each of its clients in such periodicity and format within such time, as may be prescribed by the relevant Exchange, from time to time, where the trade is executed. The Statement shall also state that the client shall report errors, if any, in the Statement within such time as may be prescribed by the relevant Exchange from time to time where the trade was executed, from the receipt thereof to the Stock broker.
35. The stock broker shall send daily margin statements to the clients. Daily Margin statement should include, inter-alia, details of collateral deposited, collateral utilized and collateral status (available balance/due from client) with break up in terms of cash, Fixed Deposit Receipts (FDRs), Bank Guarantee and securities.
36. The Client shall ensure that it has the required legal capacity to, and is authorized to, enter into the relationship with stock broker and is capable of performing his obligations and undertakings hereunder. All actions required to be taken to ensure compliance of all the transactions, which the Client may enter into shall be completed by the Client prior to such transaction being entered into.
37. The stock broker / stock broker and depository participant shall not directly / indirectly compel the clients to execute Power of Attorney (PoA) or Demat Debit and Pledge Instruction (DDPI) or deny services to the client if the client refuses to execute PoA or DDPI.

ELECTRONIC CONTRACT NOTES (ECN)

38. 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.
39. The stock broker shall ensure that all ECNs sent through the e-mail shall be digitally signed, encrypted, non-tamper able and in compliance with the provisions of the IT Act, 2000. In case, ECN is sent through e-mail as an attachment, the attached file shall also be secured with the digital signature, encrypted and non-tamperable.
40. 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.
41. 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.

42. 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.
43. 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

44. 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.
45. 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.
46. 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.
47. 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.
48. 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.
49. If the rights and obligations of the parties hereto are altered by virtue of change in Rules and regulations of SEBI or Bye-laws, Rules and Regulations of the relevant stock Exchanges where the trade is executed, such changes shall be deemed to have been incorporated herein in modification of the rights and obligations of the parties mentioned in this document.

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

1. Stock broker is eligible for providing Internet based trading (IBT) and securities trading through the use of wireless technology that shall include the use of devices such as mobile phone, laptop with data card, etc. which use Internet Protocol (IP). The stock broker shall comply with all requirements applicable to internet based trading/securities trading using wireless technology as may be specified by SEBI & the Exchanges from time to time.
2. The client is desirous of investing/trading in securities and for this purpose, the client is desirous of using either the internet based trading facility or the facility for securities trading through use of wireless technology. The Stock broker shall provide the Stock broker's IBT Service to the Client, and the Client shall avail of the Stock broker's IBT Service, on and subject to SEBI/Exchanges Provisions and the terms and conditions specified on the Stock broker's IBT Web Site provided that they are in line with the norms prescribed by Exchanges/SEBI.
3. The stock broker shall bring to the notice of client the features, risks, responsibilities, obligations and liabilities associated with securities trading through wireless technology/internet/smart order routing or any other technology should be brought to the notice of the client by the stock broker.
4. The stock broker shall make the client aware that the Stock Broker's IBT system itself generates the initial password and its password policy as stipulated in line with norms prescribed by Exchanges/SEBI.
5. The Client shall be responsible for keeping the Username and Password confidential and secure and shall be solely responsible for all orders entered and transactions done by any person whosoever through the Stock broker's IBT System using the Client's Username and/or Password whether or not such person was authorized to do so. Also the client is aware that authentication technologies and strict security measures are required for the internet trading/securities 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.

**DOCUMENT OF RIGHTS AND OBLIGATIONS OF THE CLEARING
MEMBER/PARTICIPANT AND ITS CLIENT IN RELATION TO THE
SECURITIES LENDING AND BORROWING SCHEME ----- NSE**

1. The Securities and Exchange Board of India (“SEBI”) has formulated and issued the Securities Lending Scheme, 1997 (“SEBI Scheme”) and SEBI Circular No MRD/DoP/SE/Dep/Cir-14/2007 dated 20th December 2007 for facilitating lending and borrowing of securities through an “Approved Intermediary” registered with SEBI.
2. The National Securities Clearing Corporation is an Approved Intermediary (“AI”) registered under the SEBI Scheme and is, therefore, authorised to facilitate lending and borrowing of securities in accordance with the SEBI Scheme and Circulars of SEBI issued from time to time. Accordingly, the AI has framed the Securities Lending and Borrowing Scheme (hereinafter referred to as “SLBS”) for facilitating lending and borrowing of securities through persons registered as “Participants”.
3. SEBI, thereafter, vide its Circular No. CIR/NRD/DP/19/2014 dated June 3, 2014 (“SEBI Circular”) has modified the framework of Securities Lending and Borrowing. Under the said SEBI Circular, AI shall enter into an agreement with its Clearing Member/Participant (“Agreement”) for the purpose of facilitating Securities Lending and Borrowing and which shall specify the rights, responsibilities and obligations of the AI and the Clearing Member/Participant (“Participant”). The said Agreement shall also define the exact role of AI/Participant vis-à-vis the Client of Participant. As per the said SEBI Circular, AI is also required to frame rights and obligations document laying down the rights and obligations of the Participant and its Client for the purpose of Securities Lending and Borrowing. The said rights and obligations document shall be mandatory and binding on the Participant. Accordingly, the AI has framed this rights and obligations document laying down the rights and obligations of Participant as well as of its Client (“Rights & Obligations Document”).
4. Securities Lending and Borrowing can be undertaken by the Participant either on their own account or on account of its Client registered with them. Any person(s) who meets the eligibility criteria as may be specified by the AI for the Clients under the SLBS, shall be eligible to participate in the SLBS by submitting duly signed relevant documentation/s to the Participant that it is desirous of participating in the SLBS. The Participant on the receipt of said relevant documentation/s from its Client, shall provide this Rights & Obligations Document to its Client which will be duly acknowledged by the Client of having read, understood and to agreeing to abide by the same prior to the execution of trade in the SLBS. The terms and conditions of this Rights & Obligations Document shall be binding on the Participant as well as on its Client.
5. All the transactions under the SLBS by the Client shall be strictly in accordance with SEBI Scheme, Circulars of SEBI, SLBS and the Circulars issued thereunder and the Rules, Byelaws, Regulations of the AI as a Clearing Corporation as applicable and the terms and conditions of the said Agreement. In the event of any conflict or contradiction between the provisions of the SEBI Scheme, Circulars of SEBI, SLBS and the Circulars issued thereunder and the Rules, Byelaws, Regulations of the AI as a Clearing Corporation as applicable and the terms and conditions of the said Agreement and this Rights & Obligations Document, the provisions of the SEBI Scheme, Circulars of SEBI, SLBS and the Circulars issued thereunder, the Rules, Byelaws and

Regulations of the AI as a Clearing Corporation and the terms and conditions of the said Agreement shall prevail over this Rights & Obligations Document. The provisions of this Rights & Obligations Document are in addition thereto and not in derogation thereof.

6. The Participant has made the Client aware of and the Client has understood the precise nature of the Participant's liability towards the Client under SLBS including any limitations on the liability and the capacity in which the Participant acts.
7. Subject to the SEBI Scheme, Circulars of SEBI, SLBS and Circulars issued thereunder, and/or the Rules, Byelaws, Regulations of the AI as a Clearing Corporation as applicable and as in force from time to time, the rights and obligations of the Participant as well as its Client shall be hereto as under.
8. Unless the context otherwise requires, the words and expressions used herein shall have the same meaning as defined in Securities Contracts (Regulation) Act, 1956 or Securities and Exchange Board of India Act, 1992 or Securities Lending Scheme, 1997 or Depositories Act, 1996 or the rules and regulations made thereunder respectively or Circulars of SEBI or SLBS and the Circulars issued thereunder and the Rules, Byelaws and Regulations of the AI as a Clearing Corporation.

RIGHTS OF THE PARTICIPANT

9. In consideration of the Participant providing full-fledged securities lending and borrowing under the SLBS, the Participant shall be entitled for charges, fees, other levies and /or any such other charges, subject to such limits as may be permitted by the AI in its Circulars from time to time.
10. Margins
The Participant is empowered to call upon its Client to pay such margins as may be specified by the AI from time to time.
11. Recovery
The Participant shall be entitled to recover from the Client the loss or charges, fees, other levies and /or any such other charges that has been paid by the Participant to the AI or imposed by the AI on account of its Client arising out of default or transactions under the SLBS whether current or past that are effected by the Client in meeting its obligations by adjusting margins and other deposits, if any, available with the Participant against the Client's liabilities / obligations.

OBLIGATIONS OF THE PARTICIPANT

12. The Participant has satisfied itself about the genuineness and financial soundness of the Client and the objectives relevant to the services to be provided and is therefore, agreeable to facilitating such participation subject to the terms and conditions contained herein.
13. Issue of Confirmation Memo
The Participant shall, upon execution of the Client's transaction on the order matching platform of the AI, issue the confirmation memo in the specified format or such other

documents to the Client within such time as may be prescribed by the AI from time to time.

14. Money / Securities to be kept in separate account

The Participant agrees that the money / securities deposited by the Client shall be kept in a separate bank account / settlement demat account, distinct from its own account or accounts of any other Clients, and shall not be used by the Participant for itself or for any other Clients or for any purpose other than the purposes mentioned in the SEBI Scheme, Circulars of SEBI, SLBS and Circulars issued thereunder and/or the Rules, Byelaws, Regulations of the AI as a Clearing Corporation and as in force from time to time.

15. Update on Settlement Process

The Participant agrees to inform and keep the Client apprised about securities lending and borrowing settlement cycles, delivery/payment schedules and any changes therein from time to time.

16. Compliance with Know Your Client Norms

The Participant undertakes to maintain the “Know Your Client” details of the Client as mentioned in the Client Registration Form or any other information pertaining to the Client in confidence and that it shall not disclose the same to any person / authority except to the AI or as required under any law / regulatory requirements or in compliance with any decree, order or direction of any Court, Tribunal, SEBI or other authority duly empowered in law; Provided however that the Participant may so disclose information about its Client to any person or authority with the express permission of the Client.

17. Reconciliation of Account

The Participant and the Client shall agree to reconcile their accounts regularly with reference to the transactions under the SLBS.

18. Return of Securities and Lending Fees

Where the Client is a lender unless otherwise agreed upon between the Participant and the Client -

- a) The Participant shall ensure the return of securities to the Client by transferring the same to the Client's account within such time as may be prescribed by the AI.
- b) The Participant shall ensure the return of the lending fees to the Client within such time as may be prescribed by the AI.

19. Delivery of Securities

Where Client is a borrower unless otherwise agreed upon between the Participant and the Client –

The Participant shall ensure the delivery of securities to the Client by transferring the same to the Client's account within such time as may be prescribed by the AI.

RIGHTS OF THE CLIENT

20. Where the Client is the lender unless otherwise agreed upon between the Participant and the Client -
- a) The Client shall be entitled to receive the securities lent or financial compensation in lieu thereof, computed in such manner as may be specified by the AI from time to time.
 - b) The Client shall be entitled to receive lender's fee for the securities lent.
21. Where the Client is the borrower unless otherwise agreed upon between the Participant and the Client -
- a) The Client shall be entitled to receive securities borrowed or financial compensation in lieu thereof, computed in such manner as may be specified by the AI from time to time.
 - b) The Client shall be entitled to receive from the Participant, the collateral in case the Client has deposited securities approved by the AI as collateral.
22. Notwithstanding any other provisions of the said Agreement and this Rights & Obligations Document, the Client shall be entitled to have all the rights that are conferred on it from time to time under the SEBI Scheme, Circulars of SEBI, SLBS and the Circulars issued thereunder.

OBLIGATION OF THE CLIENT

23. Abide by Law & Acquaintance to Law
The Participant declares that it has brought the contents of the SEBI Scheme, Circulars of SEBI, SLBS and the Circulars issued thereunder from time to time, and the terms and conditions of the said Agreement to the notice of the Client and the Client agrees to comply with and adhere to the same.
24. Update & Comply with the Settlement Process
Notwithstanding anything contained in Clause 15 hereto, the Client shall at all times make its own inquiries and keep itself updated on all settlement cycles, delivery/payment schedules and changes therein, and it shall be the responsibility of the Client to comply with such schedules/procedures of the AI.
25. Processing Charges
The Client agrees to pay the Participant, processing charges and statutory levies prevailing from time to time or any other charges for the services provided by the Participant. The Participant agrees that it shall not charge processing charges / fees beyond the maximum limit permissible under the SEBI Scheme, Circulars of SEBI, SLBS and the Circulars issued thereunder from time to time.
26. Change in Client Registration Form
The Client agrees to immediately notify the Participant in writing whenever there is any change of information in the details provided by the Client to the Participant at the time

of its registration with the Participant and also as provided in the said relevant documentation/s required for participating in SLBS.

27. Authorised Representative

The Client agrees to be bound by the instructions issued by its authorised representative, if any, in accordance with the letter authorising the said representative to deal on its behalf.

28. Return of Securities

The Client shall return the equivalent number of securities of the same type and class borrowed by it within the time specified by the AI in the Circulars issued from time to time.

29. Payment of Margins

The Client agrees to pay such margins as may be specified by the Participant in accordance with the requirement of AI or SEBI from time to time.

30. Exposure / Position Limits

The Client agrees to abide by the exposure / position limits, if any, set by the Participant or the AI or SEBI from time to time.

31. Securities lent to be Unencumbered

The Client agrees and warrants that the securities lent are free from lien, charge, pledge or any encumbrance(s) of whatsoever nature.

32. Collateral

At the discretion of the Participant, where the Client deposits the required collateral with the Participant, the same shall be free from any encumbrance(s) of whatsoever nature or defect in the title. If any encumbrance(s) or defect in the title is found subsequently, such collateral shall be immediately replaced by the Client.

33. Insolvency

The Client agrees to immediately furnish information to the Participant in writing, if any winding up petition or insolvency petition has been filed or any winding up or insolvency order or decree or award is passed against it or if any litigation which may have material adverse bearing on its net worth has been filed against it.

34. Cancellation of Transactions

Notwithstanding anything contained in the said Agreement, the AI shall be entitled to cancel transactions under the SLBS, either on an application by a Participant or suo moto or under regulatory directions, and in such event, the transactions done on behalf of the Client shall ipso facto stand cancelled, and neither the AI nor the Participant shall be liable to compensate the Client for any loss whatsoever (including opportunity loss) arising out of such cancellation.

35. Discontinuation of SLBS and Participation in SLBS

The AI shall be entitled to discontinue the SLBS or the participation of the Participant in the SLBS at any time at its discretion. Such discontinuation may be subject to such terms and conditions as may be specified by the AI from time to time.

ARBITRATION

36. The Participant and the Client shall co-operate with each other and / or the AI in redressing their grievances in respect of transactions under the SLBS.
37. All disputes and differences or questions arising out of or in relation to this agreement including obligations, failure or breach thereof by any of the parties and/or of any matter whatsoever arising out of this agreement shall in the first instance be resolved mutually by the parties. If the parties fail to resolve the same mutually, then the same shall be referred to and decided by arbitration in accordance with the procedures as prescribed by the AI under the SLBS and the Circulars issued thereunder.

GOVERNING LAW AND JURISDICTION

38. In relation to any legal action or proceedings to which the AI is a party, the Participant as well as the Client irrevocably submit to the exclusive jurisdiction of the courts of Mumbai, India and waive any objection to such proceedings on grounds of venue or on the grounds that the proceedings have been brought in an inconvenient forum.
39. In relation to any legal action or proceedings to which AI is not a party, the parties irrevocably submit to the jurisdiction of any competent court of law where the Client ordinarily resides at the time of execution of the transactions under the SLBS.

RIGHTS AND OBLIGATION OF CLEARING MEMBER AND CLIENT UNDER SECURITIES LENDING AND BORROWING SCHEME' SEGMENT

The Securities and Exchange Board of India (hereinafter referred to as "**SEBI**") has formulated and issued the Securities Lending Scheme, 1997 (hereinafter referred to as "SEBI Scheme") and SEBI Circular No MRD/DoP/SE/Dep/Cir-14/2007 dated 20th December 2007 and SEBI circular no. CIR/MRD/DP/19/2014 dated June 3, 2014 for facilitating lending and borrowing of securities through a Clearing Member registered with SEBI----- BSE

Obligations on Clearing Member

1. Before entering into an arrangement with a Client under SLBS, The Clearing Member shall inform the Client that it has entered into an agreement with the Clearing Corporation and it has been admitted as Participant of Clearing Corporation to facilitate lending and borrowing of securities.
2. The Clearing Member has made the Client aware of and the Client has understood the precise nature of the Clearing Member's liability under SLBS including any limitations, the liability and the capacity in which the Clearing Member acts.
3. Clearing Member and the Client shall be bound by scheme and circulars issued by SEBI from time to time, scheme/circulars issued by clearing corporation/stock exchange, and/or the Rules, Byelaws, Regulations of the stock exchange and or clearing corporation as applicable and as in force from time to time.
4. **ISSUE OF CONFIRMATION MEMO:-**The Clearing Member shall, upon execution of the Client's transaction on the order matching platform of the Clearing Corporation, issue the confirmation memo in the specified format or such other documents to the Client within such time as may be prescribed by the Clearing Corporation from time to time.
5. **MONEY / SECURITIES TO BE KEPT IN SEPARATE BANK / DEMAT ACCOUNT :-**The Clearing Member shall keep the money / securities deposited by the Client in a separate bank account / settlement demat account, distinct from its own account or accounts of any other Clients, and shall not be used by the Clearing Member for itself or for any other Clients or for any purpose other than the purposes mentioned in the scheme/circulars issued by SEBI, Rules, Bye-laws and Regulations of clearing corporation/stock exchange, as may be applicable and circulars issued by clearing corporation/stock exchange there under from time to time.
6. **UPDATE ON SETTLEMENT PROCESS:-**The Clearing Member shall inform and keep the Client apprised about securities lending and borrowing settlement cycles, delivery/payment schedules and any changes therein from time to time.
7. **COMPLIANCE WITH KYC NORMS:-** The Clearing Member undertakes to maintain the "Know Your Client" details of the Client as mentioned in the Client Registration Form or any other information pertaining to the Client in confidence and that it shall not disclose the same to any person / authority except to the Clearing Corporation or as required under any law / regulatory

requirements or in compliance with any decree, order or direction of any Court, Tribunal, SEBI or other authority duly empowered in law; provided however that the Clearing Member may so disclose information about its Client to any person or authority with the express permission of the Client.

8. **RETURN OF SECURITIES AND LENDING FEES TO CLIENT AS A LENDER:-**Where the Client is a lender unless otherwise agreed upon between the Clearing Member and the Client, the Clearing Member shall ensure the return of securities to the Client by transferring the same to the Client's account within such time as may be prescribed by the Clearing Corporation. The Clearing Member shall ensure the return of the lending fees to the Client within such time as may be prescribed by the Clearing Corporation.

DELIVERY OF SECURITIES TO CLIENT AS A BORROWER:- Where the Client is the borrower unless otherwise agreed upon between the Clearing Member and the Client, the Client shall be entitled to receive securities borrowed or financial compensation in lieu thereof, computed in such manner as may be specified by the Clearing Corporation from time to time. The Client shall be entitled to receive from the Participant, the collateral in case the Client has deposited securities approved by the AI as collateral. Notwithstanding any other provisions of the agreement between the Clearing Corporation and Clearing Member, the Client shall be entitled to have all the rights that are conferred on it from time to time under the SEBI Scheme, Circulars issued by SEBI, SLBS and the Circulars issued there under by Clearing Corporation.

9. **ABIDE BY LAW & ACQUAINTANCE TO LAW:-** The Clearing Member declares that it has brought the contents of the SEBI Scheme, Circulars of SEBI, SLBS and the Circulars issued there under from time to time, and the terms and conditions of the agreement between the Clearing Corporation and Clearing Member to the notice of the Client and the Client agrees to comply with and adhere to the same.
10. **PROCESSING CHARGES:-** The Clearing Member agrees that it shall not charge processing charges / fees beyond the maximum limit permissible under the SEBI Scheme, Circulars of SEBI, SLBS and the Circulars issued there under from time to time.

Right of Clearing Member

1. **CONSIDERATION:-** The Clearing Member is entitled for charges, fees, other levies and /or any such other charges, subject to such limits as may be permitted by the Clearing Corporation in its circulars from time to time.
2. **MARGINS:-** The Clearing Member is empowered to call upon the Client to pay such margins as may be specified by the Clearing Corporation from time to time.
3. **RECOVERY:-** The Clearing Member shall be entitled to recover from the Client the loss or charges, fees, other levies and /or any such other charges that has been paid by the Participant to the Clearing Corporation or imposed by the Clearing Corporation on account of its Client

arising out of default or transactions under the SLBS whether current or past that are effected by the Client in meeting its obligations by adjusting margins and other deposits, if any, available with the Clearing Member against the Client's liabilities / obligations.

4. **Due Diligence:-** The Clearing Member shall continuously satisfy itself about the genuineness and financial soundness of the Client and investment objective relevant to the services to be provided.

Obligations on Client

1. **ELIGIBILITY CRITERIA:-** The Client represents that he is eligible to participate in the SLBS and has satisfied the criteria specified by the Clearing Corporation.
2. **UPDATE & COMPLY WITH THE SETTLEMENT PROCESS:-**Notwithstanding anything contained in this document, the Client shall at all times make its own inquiries and keep itself updated on all settlement cycles, delivery/payment schedules and changes therein, and it shall be the responsibility of the Client to comply with such schedules/procedures of the Clearing Corporation.
3. **PROCESSING CHARGES:-**The Client agrees to pay the Clearing Member, processing charges and statutory levies prevailing from time to time or any other charges for the services provided by the Clearing Member.
4. **CHANGE IN KYC INFORMATION:-** The Client agrees to immediately notify the Clearing Member in writing whenever there is any change of information in the "Know Your Client (KYC) Form" provided by the Client to the Clearing Member, in the manner prescribed by SEBI/clearing corporation/stock exchange.
5. **AUTHORISED REPRESENTATIVE :-**The Client agrees to be bound by the instructions issued by its authorized representative, if any, in accordance with the letter authorizing the said representative to deal on its behalf.
6. **RETURN OF SECURITIES:-**The Client shall return the equivalent number of securities of the same type and class borrowed by it within the time specified by the Clearing Corporation in the Circulars issued from time to time.
7. **PAYMENT OF MARGINS:-**The Client agrees to pay such margins as may be specified by the Clearing Member in accordance with the requirement of Clearing Corporation or SEBI from time to time.
8. **EXPOSURE / POSITION LIMITS:-**The Client agrees to abide by the exposure / position limits, if any, set by the Clearing Member or the Clearing Corporation or Stock Exchange or SEBI from time to time.
9. **SECURITIES LENT TO BE UNENCUMBERED:-**The Client agrees and warrants that the securities lent are free from lien, charge, pledge or any encumbrance(s) of whatsoever nature.
10. **INSOLVENCY:-** The Client agrees to immediately furnish information to the Clearing Member in

writing, if any winding up petition or insolvency petition has been filed or any winding up or insolvency order or decree or award is passed against it or if any litigation which may have material adverse bearing on its net worth has been filed against it.

11. **COLLATERAL:-** At the discretion of the Clearing Member, where the Client deposits the required collateral with the Clearing Member, the same shall be free from any encumbrance(s) of whatsoever nature or defect in the title. If any encumbrance(s) or defect in the title is found subsequently, such collateral shall be immediately replaced by the Client.

Rights of Client

1. **RIGHT OF CLIENT AS LENDER TO RECEIVE SECURITIES OR FINANCIAL COMPENSATION AND LENDING FEES:-** Where the Client is the lender unless otherwise agreed upon between the Clearing Member and the Client, the Client shall be entitled to receive the securities lent or financial compensation in lieu thereof, computed in such manner as may be specified by the Clearing Corporation from time to time. The client shall be entitled to receive lender's fees for the securities lent.
2. **RECONCILIATION OF ACCOUNT:-** The Client and Clearing Member shall agree to reconcile their accounts regularly with reference to the transactions under the SLBS.
3. The Client shall satisfy itself of the capability of the Clearing Member and wishes to deal through the Member for lending and borrowing of securities

TERMINATION:- The relationship between Client and Clearing Member shall forthwith terminate if the Clearing Member for any reason ceases to be a Clearing Member under the circumstances as prescribed by the Clearing Corporation. Further, either of the parties shall be entitled to terminate the relationship by giving prior written notice of at least one month to other party without assigning any reason. Such termination shall, however, not affect the liabilities/obligations of either party arising out of the transactions under the SLBS entered into prior to the date of the notice of termination.

AMENDMENT:- The rights and obligations contained in this document shall not be altered, amended and /or modified by the parties in a manner that shall be in contravention of the provisions of acts, rules, regulations, notices and circulars of Clearing Corporation / SEBI governing SLBS segment or derogatory to rights and obligations prescribed herein.

ARBITRATION:- The Clearing Member and the Client shall co-operate with each other and with the Clearing Corporation in redressing their grievances in respect of transactions under the SLBS. All disputes and differences or questions arising out of or in relation to relationship between the Client and Clearing Member including failure or breach thereof by any of the parties and/or of any matter whatsoever arising out of this rights and shall in the first instance be resolved mutually by the parties. If the parties fail to resolve the same mutually, then the same shall be referred to and decided in accordance with the procedures as prescribed by the SEBI/Clearing Corporation under the SLBS, the Circulars issued there under or Rules, Bye-laws and Regulations of Clearing Corporation.

GOVERNING LAW AND JURISDICTION:- The relationship between Clearing Member and a Client and all difference/disputes/claims arising thereto shall be governed by and construed in all respects in accordance with the laws of India. In relation to any legal action or proceedings to which the Clearing Corporation is a party, the parties irrevocably submit to the exclusive jurisdiction of the courts of Mumbai, India and waive any objection to such proceedings on grounds of venue or on the grounds that the proceedings have been brought before an inconvenient forum. In relation to any legal action or proceedings to which Clearing Corporation is not a party, the parties irrevocably submit to the jurisdiction of any competent court of law where the Client ordinarily resides at the time of execution of the transactions under the SLBS.

CANCELLATION OF TRANSACTIONS:- Notwithstanding anything contained in the Agreement between Clearing Corporation and Clearing Member or in the Rights and Obligations statement of Clearing Member and the Client, the Clearing Corporation shall be entitled to cancel transactions under the SLBS, either on an application by a Clearing Member or suo moto or under regulatory directions, and in such an event, the transactions done on behalf of the Client shall ipso facto stand cancelled, and neither the Clearing Corporation nor the Clearing Member shall be liable to compensate the Client for any loss whatsoever (including opportunity loss) arising out of such cancellation.

DISCONTINUATION OF SLBS AND PARTICIPATION IN SLBS:-The Clearing Corporation shall be entitled to discontinue the SLBS or the participation of the Clearing Member in the SLBS at any time at its discretion. Such discontinuation may be subject to such terms and conditions as may be specified by the Clearing Corporation from time to time.

The words and expressions in this document are used for the purpose of convenience only and shall not affect the construction of the terms of this document. Words and expressions which are used in this document, unless the context required otherwise, have the same meaning as assigned thereto in the rules, bye-laws, regulations, circular, notices issued there under by Clearing Corporation / SEBI.

PHILLIPCAPITAL (INDIA) PVT. LTD.

No. 1, 18th Floor, Urmi Estate,
95, Ganpatrao Kadam Marg,
Lower Parel West, Mumbai 400013

**Rights and Obligations of Beneficial Owner and Depository Participant as
prescribed by SEBI and Depositories****General Clause**

1. The Beneficial Owner and the Depository participant (DP) shall be bound by the provisions of the Depositories Act, 1996, SEBI (Depositories and Participants) Regulations, 2018, Rules and Regulations of Securities and Exchange Board of India (SEBI), Circulars/Notifications/Guidelines issued there under, Bye Laws and Business Rules/Operating Instructions issued by the Depositories and relevant notifications of Government Authorities as may be in force from time to time.

2. The DP shall open/activate demat account of a beneficial owner in the depository system only after receipt of complete Account opening form, KYC and supporting documents as specified by SEBI from time to time.

Beneficial Owner information

3. The DP shall maintain all the details of the beneficial owner(s) as mentioned in the account opening form, supporting documents submitted by them and/or any other information pertaining to the beneficial owner confidentially and shall not disclose the same to any person except as required by any statutory, legal or regulatory authority in this regard.

4. The Beneficial Owner shall immediately notify the DP in writing, if there is any change in details provided in the account opening form as submitted to the DP at the time of opening the demat account or furnished to the DP from time to time.

Fees/Charges/Tariff

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

6. In case of Basic Services Demat Accounts, the DP shall adhere to the charge structure as laid down under the relevant SEBI and/or Depository circulars/directions/notifications issued from time to time.

7. The DP shall not increase any charges/tariff agreed upon unless it has given a notice in writing of not less than thirty days to the Beneficial Owner regarding the same.

Dematerialization

8. The Beneficial Owner shall have the right to get the securities, which have been admitted on the Depositories, dematerialized in the form and manner laid down under the Bye Laws, Business Rules and Operating Instructions of the depositories.

Seperate Accounts

9. The DP shall open separate accounts in the name of each of the beneficial owners and securities of each beneficial owner shall be segregated and shall not be mixed up with the securities of other beneficial owners and/or DP's own securities held in dematerialized form.

10. The DP shall not facilitate the Beneficial Owner to create or permit any pledge and /or hypothecation or any other interest or encumbrance over all or any of such securities submitted for dematerialization and/or held in demat account except in the form and manner prescribed in the Depositories Act, 1996, SEBI (Depositories and Participants) Regulations, 2018 and Bye-Laws/ Operating Instructions/Business Rules of the Depositories.

Transfer of Securities

11. The DP shall effect transfer to and from the demat accounts of the Beneficial Owner only on the basis of an order, instruction, direction or mandate duly authorized by the Beneficial Owner and the DP shall maintain the original documents and the audit trail of such authorizations.

12. The Beneficial Owner reserves the right to give standing instructions with regard to the crediting of securities in his demat account and the DP shall act according to such instructions.

13. The stock broker/ stock broker and depository participant shall not directly/ indirectly compel the clients to execute power of Attorney (POA) OR Demat Debit and Pledge Instruction (DDPI) OR deny services to the clients if the client refuses to execute POA or DDPI.

Statement of account

14. The DP shall provide statements of accounts to the beneficial owner in such form and manner and at such time as agreed with the Beneficial Owner and as specified by SEBI/depository in this regard.

15. However, if there is no transaction in the demat account, or if the balance has become Nil during the year, the DP shall send one physical statement of holding annually to such BOs and shall resume sending the transaction statement as and when there is a transaction in the account.

16. The DP may provide the services of issuing the statement of demat accounts in an electronic mode if the Beneficial Owner so desires. The DP will furnish to the Beneficial Owner the statement of demat accounts under its digital signature, as governed under the Information Technology Act, 2000. However if the DP does not have the facility of providing the statement of demat account in the electronic mode, then the Participant shall be obliged to forward the statement of demat accounts in physical form.

17. In case of Basic Services Demat Accounts, the DP shall send the transaction statements as mandated by SEBI and/or Depository from time to time.

Manner of Closure of Demat account

18. The DP shall have the right to close the demat account of the Beneficial Owner, for any reasons whatsoever, provided the DP has given a notice in writing of not less than thirty days to the Beneficial Owner as well as to the Depository. Similarly, the Beneficial Owner shall have the right to close his/her demat account held with the DP provided no charges are payable by him/her to the DP. In such an event, the Beneficial Owner shall specify whether the balances in their demat account should be transferred to another demat account of the Beneficial Owner held with another DP or to rematerialize the security balances held.

19. Based on the instructions of the Beneficial Owner, the DP shall initiate the procedure for transferring such security balances or rematerialize such security balances within a period of thirty days as per procedure specified from time to time by the depository. Provided further, closure of demat account shall not affect the rights, liabilities and obligations of either the Beneficial Owner or the DP and shall continue to bind the parties to their satisfactory completion.

Default in payment of charges

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

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

Liability of the Depository

22. As per Section 16 of Depositories Act, 1996,

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

Freezing/ Defreezing of accounts

23. The Beneficial Owner may exercise the right to freeze/defreeze his/her demat account maintained with the DP in accordance with the procedure and subject to the restrictions laid down under the Bye Laws and Business Rules/Operating Instructions.

24. The DP or the Depository shall have the right to freeze/defreeze the accounts of the Beneficial Owners on receipt of instructions received from any regulator or court or any statutory authority.

Redressal of Investor grievance

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

Authorized representative

26. If the Beneficial Owner is a body corporate or a legal entity, it shall, along with the account opening form, furnish to the DP, a list of officials authorized by it, who shall represent and interact on its behalf with the Participant. Any change in such list including additions, deletions or alterations thereto shall be forthwith communicated to the Participant.

Law and Jurisdiction

27. In addition to the specific rights set out in this document, the DP and the Beneficial owner shall be entitled to exercise any other rights which the DP or the Beneficial Owner may have under the Rules, Bye Laws and Regulations of the respective Depository in which the demat account is opened and circulars/notices issued there under or Rules and Regulations of SEBI.

28. The provisions of this document shall always be subject to Government notification, any rules, regulations, guidelines and circulars/ notices issued by SEBI and Rules, Regulations and Bye-laws of the relevant Depository, where the Beneficial Owner maintains his/ her account, that may be in force from time to time.

29. The Beneficial Owner and the DP shall abide by the arbitration and conciliation procedure prescribed under the Bye-laws of the depository and that such procedure shall be applicable to any disputes between the DP and the Beneficial Owner.

30. Words and expressions which are used in this document but which are not defined herein shall unless the context otherwise requires, have the same meanings as assigned thereto in the Rules, Bye-laws and Regulations and circulars/notices issued there under by the depository and /or SEBI

31. Any changes in the rights and obligations which are specified by SEBI/Depositories shall also be brought to the notice of the clients at once.

32. If the rights and obligations of the parties hereto are altered by virtue of change in Rules and regulations of SEBI or Bye-laws, Rules and Regulations of the relevant Depository, where the Beneficial Owner maintains his/her account, such changes shall be deemed to have been incorporated herein in modification of the rights and obligations of the parties mentioned in this document.

RISK DISCLOSURE DOCUMENT FOR CAPITAL MARKET AND DERIVATIVES SEGMENTS

This document contains important information on trading in Equities/Derivatives Segments of the stock exchanges. All prospective constituents should read this document before trading in Equities/Derivatives Segments of the Exchanges.

Stock exchanges/SEBI does neither singly or jointly and expressly nor impliedly guarantee nor make any representation concerning the completeness, the adequacy or accuracy of this disclosure document nor have Stock exchanges /SEBI endorsed or passed any merits of participating in the trading segments. This brief statement does not disclose all the risks and other significant aspects of trading.

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

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

It must be clearly understood by you that your dealings on Stock exchanges through a stock broker shall be subject to your fulfilling certain formalities set out by the stock broker, which may inter alia include your filling the know your client form, reading the rights and obligations, do's and don'ts, etc., and are subject to the Rules, Byelaws and Regulations of relevant Stock exchanges, its Clearing Corporation, guidelines prescribed by SEBI and in force from time to time and Circulars as may be issued by Stock exchanges or its Clearing Corporation and in force from time to time.

Stock exchanges does not provide or purport to provide any advice and shall not be liable to any person who enters into any business relationship with any stock broker of Stock exchanges and/or any third party based on any information contained in this document. Any information contained in this document must not be construed as business advice. No consideration to trade should be made without thoroughly understanding and reviewing the risks involved in such trading. If you are unsure, you must seek professional advice on the same.

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

1. BASIC RISKS:

1.1 Risk of Higher Volatility:

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

1.2 Risk of Lower Liquidity:

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

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

1.3 Risk of Wider Spreads:

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

1.4 Risk-reducing orders:

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

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

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

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

1.5 Risk of News Announcements:

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

1.6 Risk of Rumors:

Rumors about companies / currencies at times float in the market through word of mouth, newspapers, 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.

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 www.exchange.com and SEBI website www.sebi.gov.in.
2. Ensure that you fill the KYC form completely and strike off the blank fields in the KYC form.
3. Ensure that you have read all the mandatory documents viz. Rights and Obligations, Risk Disclosure Document, Policy and Procedure document of the stock broker.
4. Ensure to read, understand and then sign the voluntary clauses, if any, agreed between you and the stock broker. Note that the clauses as agreed between you and the stock broker cannot be changed without your consent.
5. Get a clear idea about all brokerage, commissions, fees and other charges levied by the broker on you for trading and the relevant provisions/ guidelines specified by SEBI/Stock exchanges.
6. Obtain a copy of all the documents executed by you from the stock broker free of charge.
7. In case you wish to execute Power of Attorney (POA) in favour of the Stock broker, authorizing it to operate your bank and demat account, please refer to the guidelines issued by SEBI/Exchanges in this regard.

TRANSACTIONS AND SETTLEMENTS

8. The stock broker may issue electronic contract notes (ECN) if specifically authorized by you in writing. You should provide your email id to the stock broker for the same. Don't opt for ECN if you are not familiar with computers.
9. Don't share your internet trading account's password with anyone.
10. Don't make any payment in cash to the stock broker.
11. Make the payments by account payee cheque in favour of the stock broker. Don't issue cheques in the name of sub-broker. Ensure that you have a documentary proof of your payment/deposit of securities with the stock broker, stating date, scrip, quantity, towards which bank/ demat account such money or securities deposited and from which bank/ demat account.
12. Note that facility of Trade Verification is available on stock exchanges' websites, where details of trade as mentioned in the contract note may be verified. Where trade details on the website do not tally with the details mentioned in the contract note, immediately get in touch with the Investors Grievance Cell of the relevant Stock exchange.
13. In case you have given specific authorization for maintaining running account, payout of funds or delivery of securities (as the case may be), may not be made to you within one working day from the receipt of payout from the Exchange. Thus, the stock broker shall maintain running account for you subject to the following conditions:
 - a) Such authorization from you shall be dated, signed by you only and contains the clause that you may revoke the same at any time.
 - b) The actual settlement of funds and securities shall be done by the stock broker, at least once in a calendar quarter or month, depending on your preference. While settling the account, the stock broker shall send to you a 'statement of accounts' containing an extract from the client ledger for funds and an extract from the register of securities displaying all the receipts/deliveries of funds and securities. The statement shall also explain the retention of funds and securities and the details of the pledged shares, if any.
 - c) On the date of settlement, the stock broker may retain the requisite securities/funds towards outstanding obligations and may also retain the funds expected to be required to meet derivatives margin obligations for next 5 trading days, calculated in the manner specified by the exchanges. In respect of cash market transactions, the stock broker may retain entire pay-in obligation of funds and securities due from clients as on date of settlement and for next day's business, he may retain funds/securities/margin to the extent of value of transactions executed on the day of such

settlement in the cash market.

- d) You need to bring any dispute arising from the statement of account or settlement so made to the notice of the stock broker in writing preferably within 7 (seven) working days from the date of receipt of funds/securities or statement, as the case may be. In case of dispute, refer the matter in writing to the Investors Grievance Cell of the relevant Stock exchanges without delay.

14. In case you have not opted for maintaining running account and pay-out of funds/securities is not received on the next working day of the receipt of payout from the exchanges, please refer the matter to the stock broker. In case there is dispute, ensure that you lodge a complaint in writing immediately with the Investors Grievance Cell of the relevant Stock exchange.

15. Please register your mobile number and email id with the stock broker, to receive trade confirmation alerts/ details of the transactions through SMS or email, by the end of the trading day, from the stock exchanges.

IN CASE OF TERMINATION OF TRADING MEMBERSHIP

16. In case, a stock broker surrenders his membership, is expelled from membership or declared a defaulter; Stock exchanges gives a public notice inviting claims relating to only the "transactions executed on the trading system" of Stock exchange from the investors. Ensure that you lodge a claim with the relevant Stock exchanges within the stipulated period and with the supporting documents.

17. Familiarize yourself with the protection accorded to the money and/or securities you may deposit with your stock broker, particularly in the event of a default or the stock broker's insolvency or bankruptcy and the extent to which you may recover such money and/or securities may be governed by the Bye-laws and Regulations of the relevant Stock exchange where the trade was executed and the scheme of the Investors' Protection Fund in force from time to time.

DISPUTES/ COMPLAINTS

18. Please note that the details of the arbitration proceedings, penal action against the brokers and investor complaints against the stock brokers are displayed on the website of the relevant Stock exchange.

19. In case your issue/problem/grievance is not being sorted out by concerned stock broker/sub-broker then you may take up the matter with the concerned Stock exchange. If you are not satisfied with the resolution of your complaint then you can escalate the matter to SEBI.

20. Note that all the stock broker/sub-brokers have been mandated by SEBI to designate an e-mail ID of the grievance redressal division/compliance officer exclusively for the purpose of registering complaints.

Information on Prevention of Money Laundering Act 2002 (PMLA)

- Due to the tightened security and increased vigilance in the wake of threats emanating from increasing terrorism, any failure on our part to discharge our duties cast on us under the applicable laws or we becoming an instrumental or a part of the chain in certain transaction, even if unknowingly or ignorantly, may land us in trouble.
- There is an Act called **Prevention of Money Laundering Act 2002. (PMLA)**
- The purpose of this act is to prevent the financing of terrorism and to prevent laundering of money i.e. to legalize or officialize or canalise the money generated from illegal activities like drug trafficking, organized crimes, hawala rackets and other serious crimes.
- This act is a part of the Global measures being taken by all the countries under the initiatives of UN agencies.
- It is applicable to all SEBI Registered brokers/sub-brokers and other financial institution who are dealing in any kind of financial assets.
- It is an obligation of the entities to whom this Act is applicable, to report certain kind of transactions routed through them to FINANCIAL INTELLIGENCE UNIT, a department specially set up to administer this Act under the Ministry of Finance.
- The transactions which are supposed to be reported are cash transactions above rupees ten lakhs or series of cash transactions below ten lakhs but aggregating to above ten lakhs in a month or its equivalent in any foreign currency and the transactions which may not be in cash but suspicious in nature.
- Any such above types of transaction, though not executed but attempted and failed are also required to be reported.
- The suspicious transaction can be related to the transaction under the circumstances such as;
 1. Clients whose identity verification seems difficult or clients that appear not to cooperate
 2. Asset management services for clients where the source of the funds is not clear or not in keeping with clients apparent standing /business activity;
 3. Clients based in high risk jurisdictions;
 4. Substantial increases in business without apparent cause;
 5. Clients transferring large sums of money to or from overseas locations with instructions for payment in cash;
 6. Attempted transfer of investment proceeds to apparently unrelated third parties;
 7. Businesses undertaken by offshore banks/financial services,
 8. Businesses reported to be in the nature of export/import of small items.
 9. Unusual transactions by Clients of Special Categories (CSCs).
- Clients of Special Categories may include;
 1. NRI/HNI/Trust/Charities/NGO/Organizations receiving donations
 2. Companies having close family shareholdings or beneficial ownership
 3. Politically Exposed Persons
 4. Companies offering foreign exchange offerings
 5. Clients in high risk countries
 6. Non face to face clients
 7. Clients with dubious reputation as per public information available
- No trading or demat account can be opened in the name of entity whose name is listed on the banned entity list being maintained at United Nation's website at <http://www.un.org/sc/committees/1267/consolist.shtml>.
- While opening the new accounts all the prescribed procedures of KYC and Client Identifications should strictly be followed in the context of ensuring the compliance under this act.

- All the records of transactions and client identifications must be preserved in a manner which can be promptly retrieved and reported to the authorities in the specified format.
- This is the highlights of the requirements under the Act. Subbrokers / Authorised Persons / Remisers / Clients are advised to go through the SEBI's master circular at <http://www.sebi.gov.in/circulars/2010/mastercircular/MasterCircular.pdf> for detailed information and understanding and also to visit the website of FIU-IND at <http://fiuindia.gov.in>
- The end clients are advised to co-operate with us by providing the additional information / documents, if asked for during the course of your dealings with us to ensure the compliance requirements under this Act.
- As a responsible citizen, it is our statutory as well as moral duty to be vigilant and to refrain from temptation of easy monetary gains, by knowingly or unknowingly supporting the people who are involved in the activities which are endangering our freedom and causing damage to the nation and to us as well.
- For any further clarifications or information on the subject, Principal Officer may be contacted.

OTHER TERMS AND CONDITIONS

These other terms and conditions (hereinafter referred to as "Document") have been added in order to ensure smooth functioning of trading and to enhance the transparency of Member-Client relationship. The Client is further informed that these terms and conditions are voluntary and at the discretion of Member and Client.

The Client and Member, in addition to mandatory documents as prescribed by SEBI and Exchanges from time to time agree to following:

1. DEFINITIONS & INTERPRETATION:

In this Document, 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 In this Document, unless repugnant to the context or meaning thereof;

"Associated Accounts" means the Associated Bank Account(s) and the Associated Depository Account(s).

"Associated Bank Account" means the current or saving bank account(s) or any funds account maintained by the Client (either solely or jointly with another or others) with the Designated bank(s) or such other Business Associate(s) as PhillipCapital may nominate for the purpose of depositing funds, and which account(s) has/ have been designated by the Client as an Associated Bank Account(s) for the purposes of this Document.

"Available Commodities Balance" means the Commodities balance in the Associated Depository Account(s) or the Client Account with PhillipCapital which is not blocked or under any lien or other encumbrance and which is freely available to PhillipCapital for blocking and appropriation towards the Client's then current or possible future obligations to deliver the concerned Commodities to PhillipCapital, to an Exchange, to a Clearing Corporation/House and/ or to a Business Associate

"Associated 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 an Associated Depository Account(s) for the purposes of this Document.

"Available Funds Balance" means the amount of credit balance in the Associated Bank Account(s) or in the Client Account with PhillipCapital which is not subject to any lien or other encumbrance (except in favour of PhillipCapital pursuant to this Document) and which is freely available to PhillipCapital for blocking and appropriation towards the Client's dues to PhillipCapital, an Exchange, a Clearing Corporation / Clearing House, a Business Associate(s) and or any other individual, partnership, corporation, company, organization association trust or other entity.

"Available Stock Balance" means the Securities balance in the Associated Depository

Account(s) or the Client Account with PhillipCapital which is not blocked or under any lien or other encumbrance and which is freely available to PhillipCapital for blocking and appropriation towards the Client's obligations to deliver the Securities to PhillipCapital, to an Exchange to a Clearing Corporation/House and/or to a Business Associate.

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

"BSE" means Bombay Stock Exchange Limited.

"Business Associates" includes the Designated Bank, the Designated Depository Participant 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 PhillipCapital in relation to the provision of the Services.

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

"Channel" means the channels or modes through which the Services may for the time being be accessed by Clients and through which the Service is for the time being rendered by PhillipCapital.

"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 members of the Clearing House / Clearing Corporation.

"Client Account" means an account opened by PhillipCapital in the name of the Client in PhillipCapital records pursuant to this Document and the Client Registration Application Form, which may, in the discretion of PhillipCapital, 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 PhillipCapital 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 PhillipCapital filled up and submitted by the Client to PhillipCapital, to open a Client Account and to avail of the Services.

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

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

"Derivatives" shall include:

(a) **"derivatives"** and **"options in securities"**, as defined in section 2 (ac) and 2(d) respectively of the Securities Contracts (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.

Derivatives include commodity derivatives and commodity options.

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

"Designated Depository Participant" means such Depository Participant(s) as PhillipCapital may specify

in this behalf from time to time. PhillipCapital is registered as Depository Participant with NSDL, CDSL. Demat account for commodities segment of the client would be with Comtrack Participant and ComRIS Participant respectively.

“ECN” means an electronically generated contract note or a digitally signed contract note issued by a certified agency;

“Exchange” means NSE, BSE, MSEI, MCX, NCDEX and such other exchange(s), if any, of which, PhillipCapital becomes a member, and over which PhillipCapital agrees to offer its Services to the Client; and **“Exchanges”** shall be construed accordingly.

“Exchange Provisions” mean the Rules, Bye-laws, Regulations, handbooks, notices, circulars and resolutions of the concerned Exchange (or any segment of any of the concerned Exchanges) or the concerned Depository in force from time to time and includes the Minimum Requirements Handbook for ORS prescribed by the BSE and the NSE, circular dated 12th May, 2000 relating to internet based trading services, as amended from time to time.

“Good Delivery”, in relation to securities/commodities, shall mean the timely delivery of freely transferable Securities/commodities which are considered as good delivery Securities/commodities 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.

“MCX” means Multi Commodity Exchange of India Limited

“MSEI” means Metropolitan Stock Exchange of India Limited

“NSE” means the National Stock Exchange of India Limited.

“NCDEX” means National Commodity and Derivatives Exchange Limited

“ORS” 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 Member-brokers over the Internet.

“ORS Service” means the service (being part of the Services) offered by PhillipCapital to its clients through ORS where under the Clients can route their orders for trading or dealing in Securities through the PhillipCapital Web Site.

“Outstanding Position” in a Security/commodity means the quantity and total value of that Security/commodity purchased (or sold) less the quantity and total value of that Security/commodity sold (or purchased) by the Client and not settled.

“Password” means the unique code(s) 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 depending upon the Channel through which a Service is being accessed by the Client.

“PhillipCapital Operations Handbook” or **“Operations Handbook”** or **“Handbook of Operations”** or **“Handbook”** means the Operations Handbook prepared by PhillipCapital, a copy of which may be made available by PhillipCapital to the Client, as amended, updated and modified by PhillipCapital from time to time.

“PhillipCapital Services” or **“Services”** means those services that PhillipCapital (either itself and/or through its Business Associates) may for the time being be rendering to its clients (whether as a member of an

exchange or not), and which PhillipCapital may agree to render to the Client.

“PhillipCapital” should be referred to as a Stock Broker or Trading Member or Member or Distributor for the purpose of this Document.

“PhillipCapital Web Site” means the PhillipCapital web site at or such other web site as may be hosted by PhillipCapital for access through the internet, through which PhillipCapital offers the Services.

“SEBI” means the Securities & 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 tradeable on any Exchange; and

(viii) Any other securities or instruments that PhillipCapital may hereafter 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 / Available Commodities 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 in part and the terms **“Square-off”** and **“Squared-off”** shall be construed accordingly.

“Stop Order” means a stop transfer or similar order lodged with the relevant issuer, registrar 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 PhillipCapital and/or a Business Associate on the internet through which the ORS Service is offered.

(ii) The - system implemented / installed by PhillipCapital and / or the Business Associates, for accepting orders and providing any part of the Service through the Channels.

(iii) Any other system offered by PhillipCapital and/or its Business Associates that provides or enables the use of a Channel.

“Trading Hours” means such period of a Business Day during which the concerned Exchange offers trading facilities to its members.

“Username” means login identification which may be used by the Client for accessing his Client Account(s) for availing the Services through the Channel.

1.2 In this Document, headings are used for convenience and ease of reference only and shall not affect the construction or interpretation of any provision of this Document.

1.3 Addendum, Annexures and Schedules to this Document shall form an integral part of this Document.

1.4 In this Document, 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 a reference to all other genders,
 - (iii) references to Provisions, Recitals, Clauses, Schedules and Annexures shall be deemed to be a reference to the provisions, recitals, clauses, schedules and annexures of or to this Document,
 - (iv) reference to a person shall include its personal representative, and
 - (v) references to any enactment are to be construed 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.
 - (vi) reference to securities includes reference to commodities and vice-versa.
- 1.5 **TYPES OF SERVICES OFFERED**
PhillipCapital agrees to provide, subject to the terms of this Document, such of the following services as PhillipCapital may in its discretion from time to time determine to offer to the Client and the Client agrees to avail from PhillipCapital.
- (i) Trading facilities
 - (ii) Clearing facilities
 - (iii) Such other services as permitted by SEBI and the Exchange from time to time, and which PhillipCapital 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. DOCUMENT TO PROVIDE AND AVAIL OF THE SERVICES**
- 2.1 On and subject to the terms and conditions of this Document, the PhillipCapital Operations Handbook, the Exchange Provisions, other applicable laws, the terms of PhillipCapital Web Site, the contract notes / confirmation notes (as applicable) and such other terms and conditions as may be prescribed by PhillipCapital from time to time.
- (i) PhillipCapital agrees to provide the Services to the Client, and
 - (ii) The Client agrees to avail of the Services.
- 2.2 PhillipCapital reserves the sole and exclusive right to determine the Channels through which the Client may access/receive the Services. PhillipCapital reserves the right to, from time to time, discontinue the availability of any Channel to the Client without any prior notice and without assigning any reasons whatsoever for such discontinuance.
- 2.3 On the Client Registration Application Form being submitted by the Client, PhillipCapital may, at its sole discretion, open the Client Account. This Document shall become effective only upon PhillipCapital opening and activating such Client Account. The Client is aware and agrees that the mere execution and/or acceptance of this Document (s) by PhillipCapital does not oblige PhillipCapital to open a Client Account and PhillipCapital reserves the right to accept an applicant as a Client. PhillipCapital is not obliged to disclose reasons for not accepting the applicant as a client.
- 2.4 The Client confirms that he has read and understood, and agrees that he shall from time to time regularly continue to read and understand, the Exchange Provisions, the guidelines, Rules, Regulations and circulars issued thereunder by SEBI, all applicable laws, the Operations Handbook and the terms and conditions on the PhillipCapital Web Site.
- 2.5 The Client is aware of and agrees that in the course of transacting on the Exchange or otherwise, PhillipCapital acting by itself and/or through its Business Associates, will be acting as an agent of the Client, unless otherwise disclosed by PhillipCapital to the Client.
- 2.6 The Client hereby authorizes PhillipCapital to take all such steps, without being obliged to, on the Client's behalf as may be required or advisable in PhillipCapital's opinion or discretion for compliance with the Exchange Provisions or any other law or provisions or to complete or settle any trades entered into, through or with PhillipCapital and/or its Business Associates or executed by PhillipCapital on behalf of the Client.
- 2.7 Notwithstanding anything to the contrary in this Document, PhillipCapital may at any time in its sole discretion, prohibit or restrict the Client's access to the PhillipCapital Web Site or Services, without any prior notice and without assigning any reasons whatsoever. For the avoidance of doubt it is further clarified that PhillipCapital may at any time discontinue the availability of, and/or refuse to render, any Service (whether previously rendered by PhillipCapital 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 PhillipCapital believes that to continue to offer such Services will or may contravene a law or regulation or if based on PhillipCapital's reasonable risk perception, the Services ought to be discontinued.
- 2.8 PhillipCapital and the Client shall be bound by the Exchange Provisions of the concerned Exchange on which the concerned trade is effected and the Rules, Regulations and/or Notifications (including the circulars issued thereunder) issued by SEBI from time to time, as well as other applicable law and common business practices.
- 2.9 Where PhillipCapital has permitted the Client to trade and avail of the Services only through the Internet, PhillipCapital shall be entitled (but not obligated) at the entire cost of the Client alone, to accept one-time instructions from the Client through other Channels. Such one-time permission from PhillipCapital shall not be construed as an authorization by PhillipCapital for such Client to have access to the Services through such other Channel.
- 2.10 For the avoidance of doubt, PhillipCapital hereby reserves the right to offer/make available all or any of the Services to the Client through a Business Associate(s). PhillipCapital 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.
- 2.11 Any research report or buy / sell recommendation issued to the client via sms, email or through any other mode of communication should not be considered as an offer to sell or a solicitation of

any offer to buy or sell the Securities mentioned in it. The client should seek financial advice regarding the appropriateness of investing in any securities or investment strategies given in the research reports or recommended through SMS, email or through any other mode of communication and should understand that statements regarding future prospects may not be realized. The information contained in the research reports and buy / sell recommendation may have been taken from trade and statistical services and other sources, which we believe are reliable. PhillipCapital or any of its group companies do not guarantee that such information is accurate or complete and it should not be relied upon as such.

3. ASSOCIATED ACCOUNTS

- 3.1 At all times during the subsistence of this Document and thereafter until all obligations of the Client to PhillipCapital have been fulfilled, the Client shall maintain one or more Associated Bank Accounts and one or more Associated 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 Associated Bank Accounts and one or more Associated Depository Accounts with a bank and a depository participant who 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, PhillipCapital shall be entitled to require that the Client nominate only one Associated Bank Account and only one Associated Depository Account as the preferred account for the purpose of facilitating the Client's trading and settlement pursuant to this Document.
- 3.3 The Client shall at all times be the sole holder of each Associated Account provided that PhillipCapital may, at its sole discretion permit the Client to designate accounts in which such Client is a joint account holder as his Associated Account(s), which permission shall not be unreasonably withheld by PhillipCapital. Provided that where an Associated Account is a joint account in accordance with the provisions of this clause, PhillipCapital shall have the right to require that the Client should be the first joint account holder of such account. Without prejudice to the foregoing, in the event that
 - (a) any joint account holder refuses to execute and/or revokes the powers of attorney and/or instructions as required by clause 3.4 below, or
 - (b) any joint account holder(s) violates any of the terms of the power of attorney it has executed pursuant to clause 3.4 below, PhillipCapital shall be entitled to refuse to offer any further Services to the Client until the Client has nominated a new Associated Account in which the concerned joint account holder is not a joint account holder

- 3.4 The Client shall, forthwith on the execution of this Document, deliver to (i) the Designated Bank and Designated Depository Participant with whom the Client maintains the Associated Accounts, and (ii) to PhillipCapital: a power of attorney and instructions in the PhillipCapital prescribed format(s) (collectively "the Power of Attorney") executed by the Client and all other joint account holders (if applicable) of the Associated Accounts, inter alia, designating such accounts as Associated Accounts for the purposes of this Document, stating full details of the Associated Accounts, confirming and agreeing to the matters stated therein and authorising the Designated Bank or Designated Depository participant (as the case may be) to operate the Associated Accounts on the instructions of PhillipCapital, as more particularly stated in the Powers of Attorney.
- 3.5 The Power of Attorney shall be revocable and in the event of the death, disability, dissolution, winding up or liquidation of any person executing the Power of Attorney the Client (or in case of the Client's demise, disability, etc., the Client's heirs, administrators and executors) shall forthwith inform PhillipCapital and the Designated Bank and Designated Depository Participant with which the Client maintains the Associated Accounts, of the same in writing. In case of death of any person executing the Power of Attorney (other than the Client), PhillipCapital may in its absolute discretion either (i) require the heirs/legal representatives of such deceased person to execute a fresh Power of Attorney as required by Clause 3.4 or, (ii) refuse to offer any further Services to the Client until the Client has nominated a new Associated Account as a replacement to the Associated Account of the Client, of which the deceased donor was a joint account holder.
- 3.6 Where PhillipCapital has permitted the Client to designate as his Associated Account(s) an Associated Bank Account and / or an Associated Depository Account in which the Client is a joint account holder, the Client, the joint account holders and their respective heirs, executors, administrators or assigns shall be liable and obliged, if so required by PhillipCapital to execute from time to time a fresh Power of Attorney in the format(s) prescribed by PhillipCapital and the Client agrees to obtain and submit with PhillipCapital, the Power of Attorney, duly executed by such heirs, executors, administrators or assigns, as the case may be.
- 3.7 The Client and/or the joint account holders (if applicable) of any Associated Account(s) shall not, without prior written consent from PhillipCapital, close an Associated Account or directly or indirectly operate or give instructions in respect of any Associated Account so as to prejudice PhillipCapital rights hereunder or under the authority of the Power of Attorney issued in its favour. In the event that the Client or the joint account holder(s) is in breach of its obligations herein, PhillipCapital shall, without prejudice to its rights under this Document or under applicable law, be entitled to recover from the Client, all or any loss suffered by PhillipCapital directly or indirectly on account of such breach from the funds and/or collateral/ margin of the Client available with PhillipCapital.

3.8 The Client may, with the prior written consent of PhillipCapital, change or substitute an Associated Account from time to time. In such event the Client and the other joint account holders, if any, of such new Associated Account shall execute a fresh Power of Attorney in the format(s) prescribed by PhillipCapital in accordance with Clause 3.4 herein, and the provisions of this Document relating to Associated Accounts shall apply to such new Associated Account and the account holders of such new Associated Account.

3.9 It shall be the responsibility of the Client to ensure that every joint account holder of an Associated Account, as well as such joint account holder's heirs, executors, administrators, successors and assigns comply with all the provisions of this Clause 3 as well as the other provisions/clauses of this Document to the extent that such provisions/clauses are applicable to and/ or require any act or forbearance on the part of the joint account holder. The Client shall indemnify, save, defend and hold harmless PhillipCapital, its directors, employees, partners, agents, and Business Associates from and against any and all losses, claims, liabilities and/or expenses which may arise as a result of any failure by the Client to comply with the provisions of this clause 3 and other applicable provisions/clauses of this Document.

4. USER NAME AND PASSWORD

4.1 Where applicable, and depending upon the Channels through which any Service is being rendered to the Client, the Client will be entitled to a User Name, Password and/ or such other identification or security code (by whatever name called) which will enable him to access the System. The Client is aware that the PhillipCapital's ITORS System itself generates the initial password and that the PhillipCapital 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 PhillipCapital. In any of the above events specified in Clause 4.1, the Client shall immediately change his Password. However, if the Client is unable to change his Password by reason of his having forgotten his Password or his Password having been unauthorized changed by some other person or for any other reason then the Client shall immediately request the PhillipCapital in writing to discontinue his old Password; and thereupon the Trading Member shall cause the PhillipCapital's ITORS System to discontinue the use of the Client's old Password and the PhillipCapital's ITORS System shall generate a new Password for the Client which shall be communicated to the Client. At no point in time shall the PhillipCapital be liable for any loss, whether notional or actual, that may be suffered by the Client on account of the misuse of the Password.

4.2 The Client acknowledges that he is fully aware of and understands the risk associated with availing of a Channel for routing orders over the Internet or the telephone 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 Account on the System and unauthorized routing orders on behalf of the

Client through the System and unauthorisedly routing orders on behalf of the Client through the System. The Client accepts full responsibility for the monitoring and safeguarding of the Client Account(s) and agrees that he shall be fully liable and responsible for any and all unauthorized use and misuse of his Password and/or Username, and also for any and all acts done by any person through any Channel System using the Client's Username in any manner whatsoever. The Client is aware that PhillipCapital is agreeable to offer the ORS Service and the facility of certain Channels of transmitting orders and instructions over the Internet and telephone on the condition that PhillipCapital is not liable or responsible for the misuse or unauthorized use of the ORS Services or of such Channels. The Client is aware that the Client has the option of not availing the ORS Service and/ or any other Channel that involve the transmission of orders and instructions over the telephone and internet and the Client acknowledges and agrees that the Client has voluntarily opted for the ORS Service and the telephone/ internet enabled Channels hereby agrees to bear all risks, responsibilities and liabilities associated with it.

4.3 The Client shall be responsible for keeping the Username, Client ID and Password confidential and secure and shall be solely responsible for all orders entered and trades done by any person through the System using the Client's Username and/or Password whether or not such person was authorized to do so. The Client shall ensure that he is the only authorized user of the Username and/or Password. PhillipCapital shall be entitled to presume that any order or instructions entered or communicated using the Client's username and/or Password is the Client's own order or instruction or that of the Client's duly authorized representative. The Client will be fully responsible and liable for, and will indemnify PhillipCapital, its directors, employees, partners, agents, and Business Associates, against, access and/or use of the Client Account, any Channel, the System or Service by any third party using the Client's username and/or Password. At no point in time shall PhillipCapital be liable for any loss, whether notional, actual, direct or indirect that may be suffered by the Client or any other person on account of the misuse of the Client's Username and Password and the Client shall be solely liable and responsible for the same.

4.4 The Client shall immediately inform PhillipCapital in writing of any unauthorized use of the Client's Username and/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 orders/trades/dealings/settlements effected pursuant to such unauthorized use. Notwithstanding the aforesaid, it is clarified for the avoidance of doubt that the Client alone shall be responsible and liable for any or all losses, damages, costs or expenses suffered by the Client or any other person on account of such unauthorized use.

4.5 The Client shall log off from the ORS Service at any time the Client is not accessing or using the ORS Service and any liability incurred by the Client as a consequence of the Client not logging off the ORS Service shall be borne solely by the Client. Without prejudice to the aforesaid, PhillipCapital reserves the right to time out a Client session and log off the Client from the ORS Service after a pre-determined time.

- 4.6 Without prejudice to the provisions of the aforesaid clause, the Client shall immediately notify PhillipCapital in writing with full details if
- (i) The Client discovers or suspects unauthorized access through the Client's Username, Password or account;
 - (ii) The Client notices discrepancies that might be attributable to such unauthorized access;
 - (iii) The Client forgets the Username or Password
 - (iv) The Client discovers a flaw in the System;
 - (v) The Client does not, on the same day as the Client places an order with PhillipCapital through the System, receive a message from PhillipCapital indicating that the order has been received or executed;
 - (vi) The Client does not receive an accurate written confirmation of an execution; or receives confirmation of an order and/or execution which the Client did not place, or
 - (vii) The Client receives inaccurate information in relation to the Client Account balances, Securities position, collaterals/ margins or trade/ transaction history.
- 4.7 The Client agrees that orders, instructions and other communications given or made over the telephone may be routed through PhillipCapital's interactive Voice Response Channel or other telephone System and may be recorded by PhillipCapital. The Client also agrees that such recording and PhillipCapital records of any orders, instructions and communications given or made by the Client or PhillipCapital by electronic mail, fax or other electronic means shall be admissible as evidence.
- 4.8 The Client agrees to provide information relating to his Username, Password and such other information as may be required while placing orders on the telephone to determine the identity of the Client.
- 4.9 The use and storage of any information including, without limitation, the Password, Username, portfolio information, trade/transaction activity, account balances and any other information or orders on the Client's personal computer shall be at the Client's own risk.
- 4.10 The Client confirms that the orders entered through ORS Service shall be to the Client's account only and not on account of any third party and further that client shall not act as unregistered intermediary for any third party.
- 4.11 The Client agrees that the PhillipCapital shall not be liable or responsible for non-execution of the orders of the Client due to any link/system failure at the Client's/ Member's/Exchange's end.
- 4.12 The client should keep himself updated about corporate actions and take timely action, if any, for taking the benefit of corporate action. PhillipCapital (India) Pvt. Ltd. cannot be held responsible for actual or notional loss, if any, due to non – receipt of corporate action benefit.
- 4.13 After submitting request for buyback, client will be solely responsible for collection of bid number from PhillipCapital. PhillipCapital and/or any of its employees/directors/group/associates/affiliates etc will not be responsible in any manner whatsoever for any loss arising due to client's failure to collect the bid number or if the bid number is not generated due to the buyback order not being put in the system.
- 5. ORDER ROUTING AND EXECUTION**
- 5.1 The Client shall transmit all orders to PhillipCapital by such of the Channels, as the Client is for the time being duly authorized in writing by PhillipCapital to transmit orders through. Provided that PhillipCapital may, in its sole discretion, require any order(s) placed through such Channels as it may from time to time specify, to be followed by a confirmation to PhillipCapital and/or a Business Associate in such manner as PhillipCapital may prescribe from time to time hereafter.
- 5.2 As a precondition for execution of a purchase order, PhillipCapital 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 PhillipCapital and/or in the Associated Bank Account(s) as represents the full value of the order plus any Brokerage, GST, transaction charges, associated costs and such mark-up as PhillipCapital may determine; and/or
 - (ii) require the Client to instruct the Designated Bank/Business Associate with whom the Client maintains the Associated Bank Account, to block the whole or a portion of the balance in one or more Associated Accounts in order to secure the payment of the purchase price of Securities purchased or to be purchased by the Client plus any Brokerage, GST, transaction charges, associated costs and such mark-up as PhillipCapital may determine, and/or the payment or performance of any other then 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 PhillipCapital to be available in the Client's margin account, if any with PhillipCapital.
- 5.3 As a precondition for execution of a sale order, PhillipCapital may in its sole discretion;
- (i) require the Client, at the time of order placement to maintain such Securities/ commodities as Available Stock Balance or Available Commodities Balance in the Associated Depository Account(s), as may be determined by PhillipCapital; and /or
 - (ii) require the Client, at the time of order placement to maintain such funds required for margin in the Client Account or Associated Bank Account(s) as may be required by PhillipCapital; and/or
 - (iii) require the Client to instruct the Designated bank and/or the Designated Depository Participant, with whom the Associated Accounts are for the time being maintained, to block/transfer the whole or a portion of the cash and/or Securities balance in one or more Associated 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 the payment or performance of any other then 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 PhillipCapital to be available in the Client's margin account, if any, with PhillipCapital.
- 5.4 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 trade/transaction with regard to such Security shall be borne by the Client alone and the Client hereby agrees to indemnify PhillipCapital, its directors, employees, partners, agents, and Business Associates, in this regard.
- 5.5 On the day of placement of any order and/ or any day thereafter, PhillipCapital, in its discretion, shall be entitled to instruct the Designated Bank and/or the Designated Depository Participant, with whom the Associated 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 favour of PhillipCapital 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, PhillipCapital 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 Associated 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 PhillipCapital or any of its Business Associates, and the Client agrees that such Designated Bank, Business Associates 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 PhillipCapital's instructions.
- 5.6 The Client agrees that to the extent permitted by the law for the time being in force (i) instructions given by PhillipCapital to the Designated Bank, Business Associate and/ or the Designated Depository Participant under Clause 5.5 above to block/ debit and/ or transfer funds or Securities in or to debit or transfer from an Associated Account in connection with a trade/ transaction entered into or to be entered into by the Client with or through PhillipCapital 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 Associated Account, (ii) funds of Securities once blocked on the instructions of the Client or PhillipCapital and/ or a Business Associate in connection with a trade/ transaction entered into or to be entered into by the Client with or through PhillipCapital or any Business Associate can be released only with the express written consent of PhillipCapital or any Business Associates to the designated Bank, any other Business Associate and/ or the Designated Depository Participant, and (iii) if the Client or PhillipCapital has given any blocking, holding, debit or other instructions in respect of any funds or Securities in any Associated Account in connection with a trade/ transaction entered into or to be entered into by the Client with or through PhillipCapital or any of its Business Associate, and the Designated Bank and/ or the Designated Depository Participant with whom the Associated Accounts are maintained, receives transfer, debit or other instructions in respect of such funds or Securities from the Client or any other person, then such Designated Bank and/ or the Designated Depository Participant shall first give effect to the instructions issued by PhillipCapital or its Business Associates.
- 5.7 All orders for dealing or trading in Securities/ commodities and other instructions routed through the System via the Client's Username or Client ID shall be given and/or deemed to have been given by the Client.
- 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 PhillipCapital unless otherwise specifically directed by the Client at the time of submitting the order.
- 5.9 The Client understands that placing an order with PhillipCapital, including a market order, does not guarantee execution of the order.
- 5.10 PhillipCapital shall not be deemed to have received an order unless and until it has actually received the order in the order-receiving module of the Channel concerned. The Client shall not be entitled to presume that any order transmitted by the Client has been received by PhillipCapital until PhillipCapital has confirmed receipt of such order in manner set out in Clause 11.
- 5.11 The acceptance of a contract note/confirmation note by Client (as prescribed in Clause 11.1) will establish an enforceable obligation on the part of the Client, and the Client shall be solely liable for, and agrees to indemnify, defend and hold harmless PhillipCapital, its officers, directors, employees agents and/ or Business Associates from and against any and all claims, liability, damages and/ or costs (including but not limited to legal fees) arising from out of or in connection with any order given by the Client.
- 5.12 The Client shall be allowed to trade or deal only during Trading Hours. However, PhillipCapital may at its discretion, agree to receive orders even outside Trading Hours. PhillipCapital may accumulate such orders received outside Trading Hours and route such orders for possible execution when the concerned Exchange next opens for trading.
- 5.13 All orders duly received by PhillipCapital through the System or otherwise through any Channel shall be valid as against the Client until separately cancelled in accordance with the provisions/clauses of this Document or automatically cancelled by the Exchange.
- 5.14 The Client agrees to ensure that all orders and instructions which PhillipCapital receives from the Client are absolutely clear and unambiguous; The Client further agrees that PhillipCapital may 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 PhillipCapital.
- 5.15 The Client understands and agrees that with respect to a market order or any other order, the client will

receive the price at which the Client's order is actually executed by the Exchange's systems, and such price may be different from the price at which the Security is trading when the Client's order is entered into the System or duly received by PhillipCapital through a Channel. The Client shall not hold PhillipCapital for any loss suffered by the Client due to any price difference.

- 5.16 PhillipCapital may from time to time in its discretion impose and vary limits on the orders and trades which the Client can place and enter into through the System and/ or Service (including margin percentage 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). PhillipCapital may choose not to intimate the Client of the limits and any variation thereof. The Client is aware and agrees that PhillipCapital may need to urgently vary the limits or impose new limits or prohibit or restrict the Client's ability to place orders or trade in Securities through PhillipCapital on the basis of PhillipCapital's risk perception and other factors considered relevant by PhillipCapital, and PhillipCapital may not necessarily inform the Client of the same. The Client agrees that PhillipCapital shall not be responsible or liable for the Client's inability to place any order, enter into any trade and/ or square-off any transaction that PhillipCapital may need to initiate on account of any such variation, imposition, restriction or prohibition.
- 5.17 PhillipCapital shall have the right to refuse or to accept the whole or a part of any order or instruction received by PhillipCapital 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. PhillipCapital may refuse to accept or execute the whole or a part of any order or instruction: - (i) based on PhillipCapital risk perception of such order; or instruction; or if PhillipCapital 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 the Available Stock Balance or Available Commodities Balance of the Client.
- 5.18 Though orders will generally be routed through the Exchange's systems within a few seconds from the time the order is placed by the Client on the System, PhillipCapital shall not be liable for any delay in the execution of any order for any reason whatsoever or for any resultant loss on account of the delay.
- 5.19 The Client agrees that PhillipCapital 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 an order.
- 5.20 PhillipCapital may at its sole discretion allow or disallow margin trading subject to Exchange approval, at any time, by the Client either generally in relation to the Services or specifically in relation to any particular Security(ies).
- 5.21 The client is aware that PhillipCapital tape records the conversations between the client's or client's representative and PhillipCapital employees, and hereby specifically permits PhillipCapital to do so. Such recordings may be relied upon by PhillipCapital as and when required including but

not limited to resolving disputes in connection with the trading transactions etc..

6. TRANSACTIONS AND SETTLEMENTS

- 6.1 The Client's orders and instructions and all contracts, trades and transactions entered into pursuant thereto and the settlement thereof will be in accordance with the Exchange Provisions and other applicable law. The Client shall be responsible for paying and delivering to PhillipCapital the required funds or Good Delivery Securities within such time as PhillipCapital may specify for fulfilment of the Client's payment and delivery obligations. If the Client fails to deliver the Securities on pay-in day , the securities will go into auction and relevant Exchange rules, bye-laws, regulations shall be applicable. For internal shortages, process as specified in Policies and Procedures shall be applicable. The client agrees and shall ensure that the pay-in of funds and / or securities shall be made from the client bank and demat account respectively and not from any third party's bank and demat account.
- 6.2 PhillipCapital 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 Client on any/ all Exchange(s) and segment(s) in such manner as PhillipCapital thinks fit and without any prior notice to or approval of the Client to the extent of settlement/ margin related obligation and other lawful outstanding dues. The Client agrees to bear and pay the losses arising from such Squaring-off. In particular and without prejudice to the generality of the above.
 - (a) If the Client has entered into a Short Sale or a Long Purchase then PhillipCapital 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 PhillipCapital or at market price and in any manner as PhillipCapital thinks fit, or permit the Exchange to close out 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.
 - (b) If the Client has been permitted to do margin trading, subject to Exchange approval, PhillipCapital shall be entitled to Square-off the Client's Outstanding position, inter alia, where, in PhillipCapital opinion, the actual loss and/ or the market loss on the Outstanding positions of the Client has breached or may breach the margins maintained by the Client with PhillipCapital, where the margin or collateral placed by the Client and made available with PhillipCapital falls short of PhillipCapital requirements, where any limit given to the Client has been breached or where the Client has defaulted on any existing obligation.
 - (c) PhillipCapital may Square-off any Outstanding Position(s) of the client due to all or any of the following:
 - (i) the volatility in the market;

- (ii) any restrictions in relation to volume of trading/outstanding business or margins stipulated by any Exchange, Clearing Corporation/Clearing House and/or PhillipCapital;
 - (iii) delays by the Client in meeting his obligations/dues to PhillipCapital and/or the Clearing Corporation/Clearing House.
- 6.3 PhillipCapital 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, PhillipCapital shall have the right to:
 - (i) set off and adjust all funds, receivables, collateral/margins of the Client lying with PhillipCapital and/or with the Designated Bank or Business Associate with whom the Associated Bank Account is maintained, and/or any amounts payable to the Client against all lawful 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/commodities of the Client lying with PhillipCapital or with the Designated Depository Participant with whom the Associated 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 and adjust all funds, receivables, collateral/margins of the Client lying with PhillipCapital and/or with the Designated Bank or Business Associate with whom the Associated Bank Account is maintained and/or any lawful amounts payable to the Client, as well as all Securities/commodities of the Client lying with PhillipCapital and/ or the Designated Depositors Participant with whom the Associated Depository Account is maintained in relation to a particular Service, against all present and future dues and receivables of, and amounts payable by, the Client in relation to any other Service or, for the settlement of the Client's 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 PhillipCapital to adjust/appropriate its funds, receivables and margins, collaterals and/or Securities as aforesaid.

Any order given by the Client to PhillipCapital shall be binding upon the Client or his legal representatives until actual notification of the death of the Client is communicated to PhillipCapital. Such communication shall not affect/ prejudice the rights of PhillipCapital hereunder.
- 6.4 All Securities, commodities and/or funds in the Associated Accounts respectively or in the Client Account or otherwise with PhillipCapital (whether such accounts be single or joint) shall be subject to a lien for the discharge of any all then current or future indebtedness or any other obligation (including contingent indebtedness or obligation) that the Client may have towards or through PhillipCapital and/or its Business Associate; and the same may be held by PhillipCapital as security for the discharge thereof.
- 6.5 In enforcing its set off, lien and/or other rights, PhillipCapital may, in its sole discretion, determine which Securities/commodities are to be sold or appropriated, which account is to be debited or which Outstanding Positions are to be closed.
- 6.6 All cheques, drafts, pay orders etc issued by the Client against his/ its pay-in/ collateral/ margin/ other charges etc shall be strictly contain his/ its client code (Trading Account Code) or unique client code. The Client agrees and confirm that any cheques, demand draft, pay order etc issued without such detail shall not be credited in the Client's ledger account unless verification, to the satisfaction of PhillipCapital is produced by the Client, and the Client shall not claim the said amount from PhillipCapital in the event that such amount is credited to any other client's account due to erroneous instructions given by client.
- 6.7 The Client shall not, acting alone or in concert with others, directly or indirectly hold and control derivatives future contracts in excess of the number of permitted futures contracts as fixed from time to time by the Exchange.
- 6.8 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.
- 6.9 It is the responsibility of the client to monitor the client wise position limits in respect of securities/ commodities as specified by the Exchanges from time to time. The client agrees to indemnify PhillipCapital in case of any violation in this regard.
- 6.10 The Client understands that PhillipCapital is acting as an agent of the client and cannot be held liable for transactions executed on the Exchange platform. In case PhillipCapital does not receive payout of funds / securities/commodities/ collaterals from the Exchange / Clearing Corporation /Clearing House/Depository/ Counterparty, then PhillipCapital is not liable to give such payout to the client and PhillipCapital shall not be liable in whatsoever manner and client cannot and will not claim the same from PhillipCapital . In case part payout is received from the Exchange / Clearing Corporation /Clearing House/Depository/ Counterparty, then client shall also get part payout and client cannot and will not claim the balance payout from PhillipCapital. In case of fraud/violation/non-compliance of any type by any entity ie. entities involved in clearing and settlement other than PhillipCapital in the process of transactions, clearing and settlement PhillipCapital cannot and will not be held liable in whatsoever manner and client cannot and will not file any claim(s) of whatsoever nature against PhillipCapital in this regard. Incase where pay-out of funds/securities/ commodities is given by PhillipCapital to the clients and Exchange / Clearing Corporation /Clearing House/Depository/ Counterparty takes back such pay-out, then PhillipCapital has the right to take

- back the same from the client and the client is liable to pay the same to PhillipCapital.
- 6.11 The client authorises PhillipCapital to debit/ credit/transfer the funds / securities between the various segments of the same Exchange and / or between other Exchanges to clear / set off / adjust my/our debit balance or various dues payable to PhillipCapital / Exchange(s).
- 6.12 The Client acknowledges that all contracts culminating in delivery (which are not squared off and information for giving and taking delivery is given by the client) would be transactions for purchase and sales between the clients inter-se and the clients would be personally liable to each other though the contract and relationships are governed by the Bye Laws, Rules and Regulations of the Exchange.
- 6.13 The client will be responsible for providing information for the purposes of giving / taking delivery against his Net Open Position along-with information necessary for giving / taking delivery within stipulated period as specified by the Exchange from time to time. Member shall submit the same to the Exchange. The Exchange at the end of stipulated period shall match the information provided by the Member against Net Open Positions of the client and shall confirm the Delivery / client Receipt to be effected against Delivery information submitted by the Member. Client shall co-ordinate with the Member to ensure that all requirements for giving / taking delivery are fulfilled. Client shall also ensure to comply with all statutory requirements laid down regarding Sale / Purchase of goods including payment of taxes, local levies and other statutory / regulatory charges as prescribed under applicable laws from time to time. Client shall submit documents such as Invoices, Sales Tax exemption or concession forms or any other documents as required under the prevalent laws and forward the same to the Counter-party client or any other Member of the Exchange within stipulated period as specified by the Exchange from time to time.
- Client shall submit documents such as Invoices, Sales Tax exemption or concession forms or any other documents as required under the prevalent laws and forward the same to the Counter-party client or any other Member of the Exchange within stipulated period as specified by the Exchange from time to time.
- 6.14 The Client understands that PhillipCapital will not be responsible for quality and/or quantity of commodities in any manner whatsoever.
- 6.15 The Client understands and agrees that there is no fixed return in equities, commodities, currencies, derivatives or any other asset classes or segments traded on the exchange or OTC (Over The Counter) products. The principal or the initial investment (in cash or collateral or any other asset class) can also be lost fully and losses can be higher than client's initial investment.
- 6A. Algorithmic (Algo) Trading facility**
The client agrees to the following incase the client avails the Algo trading facility:

- (i) The client is fully aware of and understands the various risks associated with Algo trading facility and shall be fully liable and responsible thereto. The client will comply with rules, regulations, bye-laws, circulars, guidelines, etc of SEBI/Exchange/ PhillipCapital with respect to the algorithmic trading and shall not use or allow the use of algorithmic trading facility to engage in any form of market misconduct including insider trading and market manipulation or such conduct which is otherwise in breach/violation of applicable laws, rules and regulations. The client shall indemnify and keep PhillipCapital and/or its employees, directors, associates, etc indemnified incase of any violation or misuse of the algo trading facility or any violation of any regulatory guidelines, circulars, etc issued by any regulatory authority
- (ii) The client shall be liable in case of loss (including opportunity/notional loss), damages, fines, penalties, charges, costs, expenses, etc caused to the client due to any interruption, malfunction, error, non-availability, technical glitch or for any other reason of whatsoever nature in the algo trading facility through PhillipCapital and shall not have any claim/complaint of whatsoever nature against PhillipCapital and its employees, directors, associates, etc in this regard..
- (iii) The client agrees to comply with the order to trade ratio prescribed by SEBI/ Exchanges from time to time and will indemnify PhillipCapital incase of any penalty levied by the Exchange in this regard.
- (iv) The client agrees that PhillipCapital has the right to discontinue the algo trading facility anytime at PhillipCapital's sole discretion.
- (v) Without prior approval of PhillipCapital, the client should not do any modification or change to the approved algos or systems used for algos.

7. COLLATERAL & MARGIN

- 7.1 The Client agrees and undertakes to immediately deposit with PhillipCapital, such amount of, and such type of collateral and margin, as PhillipCapital 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 with PhillipCapital shall validly deposit such collateral margin is set out in Clause 8.
- 7.2 PhillipCapital shall have the sole and absolute discretion to refuse any collateral/ margin offered by a Client. PhillipCapital 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. PhillipCapital shall also be entitled to prescribe haircut percentages atleast at rates prescribed by Exchange(s) 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. Haircut percentages in relation to collateral/ margins shall be provided by

- PhillipCapital to the client and shall be otherwise available upon demand at PhillipCapital office(s) and/ or the offices of its Business Associates, and the Client agrees to keep himself updated in respect thereof.
- 7.3 The Client agrees that PhillipCapital shall be entitled in its sole discretion to require the Client to deposit with PhillipCapital a higher collateral/ margin than that prescribed by the Exchange or any other applicable law. PhillipCapital shall also be entitled to require the Client to keep permanently subject to compliance with actual settlement of funds and securities/commodities with PhillipCapital a deposit/ collateral/ margin of a value specified by PhillipCapital so long as the Client desires to avail of PhillipCapital Services. If any Security/commodity is found not to be of Good Delivery at any time after its deposit with PhillipCapital, PhillipCapital is entitled to reduce the amount attributable to such Security/ commodity in the Client Account and the Client shall immediately replace the same, failing which PhillipCapital is entitled to revise the limits of the Client and/ or Square-Off any Outstanding Position.
- 7.4 The Client hereby gives to PhillipCapital an irrevocable and unconditional right to appropriate any collateral or margin, without any reference to the Client in order to discharge any lawful indebtedness or any other obligation (including contingent indebtedness or obligation) that the Client may owe to PhillipCapital and/ or Business Associate.
- 7.5 Without prejudice to the provisions of Clause 7.1. 7.2 7.3 and 7.4 (including the right to refer a matter to arbitration) in case the Client does not provide the required collateral/ margins or other lawful amounts, outstanding debts, etc. within the time frame specified by PhillipCapital, PhillipCapital shall have the right to:
- Appropriate and/ or transfer and/ or sell all or any Securities/commodities 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 Associated Accounts are maintained to sell and/ or transfer all or any funds or Securities/commodities in any Associated Account and retain the proceeds thereof;
 - Liquidate/ close out/ Square-off all or any Outstanding Positions;
 - Prevent any new orders from being placed and/ or executed by the Client; and/ or
 - Take such other action as PhillipCapital thinks fit and proper.
- PhillipCapital may exercise all or any of the above rights in such manner as PhillipCapital thinks appropriate, without demand for additional margin or collateral, or advance notice or advertisement, on any Exchange or other market where such business can be transacted, at a public auction or by private sale and PhillipCapital and/ or any of its Business Associates may be the purchaser/ seller for its own account. Any prior demand, call or notice given in this regard shall not be considered as a waiver of PhillipCapital 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 charged to and borne by the Client.
- 7.6 PhillipCapital 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.
- 7.7 **CROSS MARGINING**
- The Stock Broker agrees to request NSCCL to extend cross margining facility to the Client in the Capital Market Segment subject to the terms and conditions as contained herein and the Client agree to avail the same.
 - The parties agree to be bound by SEBI Circular No SEBI/DNPD/Cir-44/2008 dated 2nd December, 2008 and Circulars issued by SEBI from time to time with respect to cross margining.
 - The parties agree to be bound by the Rules, Byelaws, Regulations and Circulars issued from time to time by NSEIL/NSCCL including provisions with respect to cross margining.
 - The parties agree that cross margin benefit shall be for such positions in one or more trading segments/ clearing segments and shall be subject to such terms and conditions as may be prescribed by NSEIL/ NSCCL if any from time to time.
 - In case of default by the Stock Broker arising out of the positions in one or more clearing segments, the Client agrees and understands that NSCCL may utilise the margins or any other monies furnished in any clearing segment by its Clearing Members, who are clearing and settling the transactions pertaining to the Client, in order to meet the obligations arising out of such positions.
 - In case of default by the Stock Broker arising out of the positions in one or more clearing segments, the Client agrees and understands that the outstanding positions of the Stock Broker in any or all clearing segments may be closed out by NSCCL in accordance with Rules, Byelaws, Regulations and Circulars issued from time to time by NSCCL.
 - In case where cross margin benefit is to be availed by the Client for transactions executed in Futures and Options Segment, the Client agrees that the Stock Broker shall request the Clearing Member of NSCCL to avail the cross margin benefit for such transactions on behalf of the Client and such cross margin benefit shall also be subject to the terms and conditions mentioned in Clearing Member and trading Member agreement entered into between the Clearing Member and the Stock Broker through whom transactions are cleared and settled by the Stock Broker in Futures and Options Segment and terms and conditions mentioned hereinabove shall be applicable for cross margining in Futures and Options Segment also.
 - The parties agree that notwithstanding anything contained in Account opening documents to the contrary, the parties shall be bound by the above provisions with respect to cross margining.
8. **CREATION OF CHARGE OVER COLLATERAL/ MARGIN**
- 8.1 PhillipCapital shall from time to time prescribe and/ or vary the manner in which any collateral margin shall be secured in favour of PhillipCapital.
- 8.2 Without prejudice to the generality of the provisions contained in Clause 8.1 above, PhillipCapital may require the Client to furnish security in all or any of the following forms:.

(a) Securities:

In the case of collateral/ margin, in the form of those equity shares as approved by PhillipCapital from time to time for deposit by the Client as collateral/ margin. The said equity shares shall be secured in favour of PhillipCapital in the following manner:

- (i) The Client shall create a pledge over the equity shares that it proposes to secure in favour of PhillipCapital as collateral/ margin, by issuing appropriate pledge instructions to the Associated Depository Participant in the manner prescribed by the Depository concerned from time to time.
 - (ii) PhillipCapital shall treat such pledge as being valid collateral/ margin only when PhillipCapital is satisfied that the pledge instructions are irrevocable.
 - (iii) The pledge created shall be a continuing security and may be invoked by PhillipCapital in the manner and in the circumstances set out in clause 7 of this Document. Without prejudice to the foregoing, the pledge may be invoked by PhillipCapital in part.
 - (iv) Where a Client wishes to reduce its exposure or close all of its Client Accounts with PhillipCapital, PhillipCapital shall be obliged to close the whole or part of any pledge only after the Client has satisfied all dues referred to in Clauses 7.
 - (v) All costs, charges and expenses incidental to or otherwise in relation to the creation, closure and/ or invocation of a pledge shall be borne by the Client. In the case of collateral/margin in the form of Securities/ commodities other than those equity shares, as approved by PhillipCapital from time to time, for deposit by a client as collateral/ margin, the same shall be secured in favour of PhillipCapital in the manner that shall hereafter be prescribed by PhillipCapital from time to time in relation to various types/ forms of Securities/ commodities.
- (b) Bank Guarantees: In the case of collateral/ margin in the form of an irrevocable and unconditional bank guarantee, the Client shall procure a bank guarantee, from a bank or other financial institution approved by PhillipCapital from time to time for this purpose, in favour of PhillipCapital in the standard format prescribed by PhillipCapital from time to time.
- (c) Fixed Deposit: In the case of collateral/ margin in the form of a fixed deposit, the Client shall create a fixed deposit, held with a bank or other financial institution approved by PhillipCapital from time to time for his purpose, in favour of PhillipCapital in the standard format prescribed by PhillipCapital from time to time, with such liquidation and pay out instructions as PhillipCapital shall prescribe from time to time.
- (d) Cash: In the case of collateral/ margin in the form of cash, the Client shall deposit such cash with PhillipCapital in the manner prescribed by PhillipCapital from time to time.
- (e) Others: In the case of collateral/ margin of a type or nature other than as aforesaid, that PhillipCapital may from time to time accept as collateral/ margin, the manner in which such

collateral/ margin shall be validly deposited with PhillipCapital, shall be such as shall be prescribed by PhillipCapital from time to time in relation to such type of collateral/ margin.

- 8.3 The Client agrees and confirms that PhillipCapital will be the owner of all collaterals (including securities/commodities) which may be pledged in favour / transferred to PhillipCapital 's beneficiary account and that such securities/ commodities shall at all times be free from any prior charge lien or encumbrance whatsoever and that such securities/commodities shall be absolute and disposable property of PhillipCapital

Without prejudice to any of the foregoing, the client confirms that PhillipCapital shall be entitled to pledge/transfer the said collaterals (including securities/commodities) with the Exchange / Clearing Corporation / Clearing House/ PhillipCapital and/or its group/associates companies to fulfil the various obligations from time to time.

- 8.4 The securities/commodities lying in the associated/designated depository account of the client can be considered and treated for the purpose of margin.

8A MUTUAL FUNDS AND OTHER PRODUCTS

- 8A.1. The client shall authorize the stockbroker by executing a Power of Attorney in the favour of the stockbroker to execute instructions of the client or its authorized representative with regard to the transactions. All instructions given by the client / its authorized representative shall be binding on the client. The stockbroker may furnish a certified copy of the Power of Attorney and other documents on behalf of the client to the Company / Registrar / Mutual Fund or any third party.
- 8A.2. The client agrees that the instructions with regard to the transactions may be in the client's sole name or in the name of the client jointly with other persons. Clients may apply for units in single name of or more names of the joint account holders of the bank account subject to the terms and conditions of the relevant SID.
- 8A.3. The instructions with regard to the transactions may be given through internet or telephone or any other reasonable mode as permitted by the stockbroker. The client may appoint a nominee details of which are attached herewith. The instructions given by the clients to the Distributor shall be forwarded by the Distributor to the Asset Management Company in electronic log file format and the Asset Management Company shall process the transactions on the basis of such electronic log file only.
- 8A.4. The stock broker may refuse to act on any instructions unless they are given in the manner and form acceptable to the stock broker. The client shall not hold the stock broker liable on account of the stock broker acting in good faith on instructions given by the client or its authorized representative.
- 8A.5. The stock broker may at its discretion not carry out the client's instruction where the stock broker has reasons to believe (which discretion of the stock broker the client shall not question or dispute) that the instructions are not genuine or are otherwise improper / unclear / raise a doubt. The stock broker shall not be liable if any instructions

- are not carried /partly carried out for any reason, whatsoever.
- 8A.6. In case of Mutual Funds/AMC, the client agrees and acknowledges that the stock broker shall provide the facilities as provided in this Document only in respect of the select Mutual Funds with whom the stock broker has entered into a separate arrangement / Document.
- 8A.7. The client undertakes to read all the relevant Offer Documents, Key Information Memorandum and addendums thereto and terms and conditions of all schemes of all mutual funds and other issues of securities including but not limited to Initial Public Offerings / Public Offers, Rights issue and Buy Back offers, offered through stock broker's website; before entering into any transactions through the website and agrees to abide by the terms, conditions, rules and regulations as applicable from time to time.
- 8A.8. The client shall ensure that the transactions through the stock broker are executed in accordance with the applicable laws, byelaws, rules and regulations governing the specific investment product. The stock broker may, from time to time, impose and vary limits on the orders which the client may place, including but not limited to exposure limits, turnover limits and limits as to numbers. The client agrees that the broker shall not be responsible for any variation or reduction that may be deemed necessary by the stock broker based on its risk perception and other relevant factors.
- 8A.9. The stock broker shall not be under any duty to verify compliance with any restriction on the client's investment powers.
- 8A.10. The client is responsible for the personal and bank related details provided by the client. Neither the stock broker nor any of the Mutual Funds/ Issuers or their respective Registrars shall accept any liability which may arise as a consequence of the erroneous information provided by the client. The client authorises the Distributor to communicate the AMC/Mutual funds, the financial and non financial transactions on clients' behalf.
- 8A.11. The client agrees that the stock broker is entitled to disclose to a third party, all such information pertaining to the Client as may be required from time to time, for the client to be able to avail of any or all of the services provided by the stock broker under this Document.
- 8A.12. In case of change of address and personal details of the client, the client shall send a letter to the stock broker giving intimation of the change.
- 8A.13. The Client can transact directly with the Asset Management company/Mutual funds without recourse to the Distributor at any time under the folio tagged with the Distributor code. The client agrees and understands that the folio number of the client in respect of the Mutual Fund schemes shall be received by the stock broker from the Asset Management Company. The client authorises the Distributor for receiving client investment details from Asset Management company.
- 8A.14. The Client agrees that the client shall not, without prior intimation and acknowledgement of the stock broker, deal / liaise with the Issuer Company / Mutual Fund/ Asset Management Company or its respective Registrars in respect of the services availed under this Document.
- 8A.15. Further, any change in the details of the client including but not limited to the Demat account, Bank Account, Address, shall be first intimated to the stock broker who may in turn liaise with the Issuer Company / Mutual Fund / Asset Management Company or its respective Registrars to update such changes. The Issuer Company / Mutual Fund/ Asset Management Company or its respective Registrars may reject such requests and in such an event the stock broker shall not be liable for any such rejection.
- 8A.16. The client further agrees that the client shall not close / change the details of the Demat account / Bank account without prior notification to the Stock broker and the Client agrees that the stock broker may instruct the Depository Participant / Bank of the Client to reject any such request received from the Client.
- 8A.17. The Client shall provide the stock broker with its Permanent Account Number (PAN) and a self attested copy of the same.
- 8A.18. The client acknowledges that the purchase / application instructions shall be processed by the stock broker only after sufficient funds to cover the purchase / application price and other costs and charges are received by the stock broker.
- 8A.19. If after execution of any transaction it is for any reason found that the stock broker has not been provided with sufficient funds by the client, the client shall pay the deficient amount to the stock broker forthwith on demand, failing which the stock broker may (but shall not be bound to) square up the transaction at any time at the client's sole risk and cost. Any loss arising on such squaring up will be borne solely by the client and the client shall pay to the stock broker the additional amount that may be payable by the client.
- 8A.20. The client declares and confirms that the amount being invested by the client either directly or through its Power of Attorney holders, in any schemes of all mutual funds or other securities including but not limited to Initial Public Offerings / Public Offers, Rights issue and Buy Back offers is obtained through legitimate sources and is not held or designed for the purpose of contravention of the provisions of any Act, Rules and Regulations or any statute or legislation or any other applicable Laws or any Notifications, directions issued by any Governmental or Statutory Authority from time to time.
- 8A.21. In case the client is a Non-resident Indian, the client confirms that the funds are remitted from abroad through approved banking channels or from the NRE / NRO / FCNR account.
- 8A.22. If for any reasons, the stock broker is unable to carry out the transactions as instructed by the client to the extent of full quantity of units / securities, the stock broker shall be entitled at its discretion and the client hereby irrevocably authorizes the stock broker to carry out a transaction of a lesser quantity of units / securities. The stock broker shall not be responsible for the non-execution of the client's instructions for the entire quantity or the remaining quantity.
- 8A.23. The client agrees and acknowledges that any instruction given or purported to be given by the client before the cut off time as may be intimated by the stock broker to the client from time to time,

- will be processed on the same day. Any instruction received after the cut off time will be processed on the next working day, if applicable. Cut off time of the Stock Broker may vary with the cut-off time specified by SEBI regulations or SID/SAI for operational convenience.
- 8A.24. In case of Mutual Fund, applicable Net Asset Value shall be as per the Offer Document and SEBI Rules and Regulations.
- 8A.25. The client agrees and acknowledges that after the first purchase transaction in any Mutual Fund, the client may not be permitted to transact till the folio number is allotted. The stock broker does not accept any liability for delay in processing time at the Mutual Fund's or Registrar's end.
- 8A.26. The Client acknowledges that the stock broker shall not be under any obligation to provide him with any tax, legal, accounting, investment advice or advice regarding the suitability or profitability of investment of any kind, nor does the stock broker, give any advice or offer any opinion with respect to the nature, potential value or suitability of any particular transaction or investment strategy.
- 8A.27. It is explicitly stated herein and understood by the client that the Mutual Fund Schemes/Offer Documents / other schemes offered by the stock broker, have not been / shall not be understood as recommended by the stock broker.
- 8A.28. The client can view his/ her / its transactions on the website. A physical copy of the transactions statement or the account statement shall be sent by the stockbroker only on a written request from the client.
- 8A.29. In case an application is made for Initial Public Offer / Public Offer / Units of Mutual Fund through the stock broker, the client authorizes the stock broker to collect on client's behalf, the refund amount, if any, from the Issuer Company / Registrar / Asset Management Company/ Mutual Fund and subsequently credit the same to client's Bank account, after set-off/ adjustment of lawful dues payable by the Client on account of obligations incurred in connection with the application. The client further agrees that the stock broker shall not be held responsible for non allotment of securities / units of Mutual Funds either fully or partly to the client, for any reason whatsoever. The stock broker shall not be held responsible in case due to some reason the bid/application/ revision instructions sent by the client is not received by it, or if the bid / application / revision could not be uploaded to the Stock Exchange or could not be sent to the Bankers / Registrar to the issue.
- 8A.30. The stock broker shall not be held responsible for non - receipt / delay in / incorrect receipt of fund, refund if any, from the Registrar/ Company. The stock broker shall not be held responsible for incorrect Tax Deduction at Source (TDS) by the Registrar /company, if applicable, or for non-receipt or delay in / incorrect receipt of TDS Certificate, if any from the Registrar /Company/ Mutual Fund.
- 8A.31. The stock broker shall not be liable for any loss or damage caused by reason of failure or delay of the mutual fund to deliver any units purchased even though payment has been made for the same or failure or delay in making payment in respect of any units / securities sold though they may have been delivered.
- 8A.32. The client understands that the corporate actions including but not limited to Dividends, declared by the Issuer Company / Mutual Fund shall be directly paid by the Issuer Company/Mutual Fund to the client.
- 8A.33. The stock broker shall also not be liable to the client for any delay, failure or refusal of the Mutual Fund/ any Issuer Company/ Corporation or other body in registering or transferring units to the names of the clients of for any interest, dividend or other loss caused to the client arising therefrom.
- 8A.34. The client agrees to provide the stock broker with any confirmation / declaration or any other document that the concerned Issuer /Asset Management Company or any other entity may from time to time require the stock broker to collect from the client in respect of the services offered under this Document.
- 8A.35. The stock broker shall not be responsible for any changes in the data of any scheme as carried out in the Offer document or any other documents / material issued by Asset Management company/ Issuer Company/ Mutual Fund.
- 8A.36. The stock broker does not accept any liability for delay in processing time at the Mutual Fund's / Issuer or Registrar's end. The client agrees that the stock broker shall not be liable or responsible for not executing any transactions for any reason, beyond its control.
- 8A.37. 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 had been delayed, hindered or prevented by systems failures network errors, delay or loss of data due to the aforesaid, acts of God, floods, epidemics, quarantine, riot or civil commotion and war.
- 8A.38. The stock broker shall provide its services on a best efforts basis. However in respect of mutual funds, other securities, including but not limited to Initial Public Offering, Rights issue, Buy Back Offers offered through its website the stock broker shall not be liable for any failure or for any loss, damage or other costs arising in any way out of:
- a) System failure including failure of ancillary or associated systems, or fluctuation of power, or other acts of God/force majeure; or
 - b) Accident, transportation, neglect, misuse, errors, frauds on the part of the client or any agent of the Client or agents or any third party, or
 - c) Any fault in any attachments or associated equipments of the client or
 - d) Any incidental, special or consequential damages including without limitation of loss of profit.
- 9. CANCELLATION/ MODIFICATION REQUESTS**
- 9.1. The cancellation or modification of an order pursuant to the Client's request is not guaranteed. The order will be cancelled or modified only if the Client's request for cancellation or modification is duly received and the order is successfully cancelled or modified before it is executed. Market orders are subject to immediate execution wherever possible.
- 9.2. The Client shall not be entitled to presume an order as having been executed, cancelled or modified until a confirmation from PhillipCapital is received by the Client in that behalf as the case may be. However, due to technical or other factors and confirmation may not be immediately

transmitted to or received by the Client, and such delay shall not entitle the Client to presume that the order has not been executed, cancelled or modified, as the case may be, unless and until PhillipCapital has so confirmed in writing.

10. BROKERAGE, COMMISSIONS, FEES, SPECIAL FINANCIAL CHARGES AND OTHER CHARGES

10.1 The Client agrees to pay PhillipCapital Brokerage, commission, fees, GST, other taxes, trade/ transaction expenses, clearing charges, other charges as levied by PhillipCapital from time to time and statutory levies as they exist from time to time and as they apply to the Client Account and trades/transactions of the Client, the Services and the Channels made available by PhillipCapital to the Client. The Client also agrees that PhillipCapital may deduct and appropriate any of the aforesaid amounts from any amount payable by PhillipCapital to the Client or may instruct the Designated Bank whom the Associated Bank Account is maintained and/ or Business Associate (as the case may be) to transfer such amount to PhillipCapital from an Associated Bank Account.

10.2 The Client agrees that PhillipCapital 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 after giving a prior notice of 15 days to the client A schedule of current Brokerage, fees and commissions, applicable service and other taxes and other trade/ transaction expenses shall be provided by PhillipCapital on PhillipCapital Web Site and shall be otherwise available upon demand at PhillipCapital office(s) and/ or the office(s) of Business Associates notified by PhillipCapital for this purpose, and the Client agrees to keep himself updated in respect thereof.

Provided PhillipCapital may charge brokerage rates at maximum permissible limits in case:

- (a) there is delay in making payment by the client; or
- (b) forced liquidation of client's securities commodities as per the Terms and conditions, Rights and Obligations and Rules, Bye-law and Regulations of Exchange; or
- (c) If any adverse order/ruling/judgment is passed against the client by Exchange/SEBI/Court/ Income tax or any other Regulatory authority; or
- (d) If any regulatory proceeding/investigation has been initiated against the client by Exchange/ SEBI/Court/Income tax or any other Regulatory authority.

10.3 Without prejudice to any other provision of this Document, the client understand and agrees that PhillipCapital may charge penalty/delayed payment charges at 0.1% per day on the outstanding ledger amount/margin shortfall in cash and derivatives segment and penalty charges according to the Rules, Bye-laws and Regulations of the relevant Exchange and such other charges (as may be levied by PhillipCapital from time to time,

- (I) On the dealings made under or pursuant to this Document
- (II) On the balance outstanding payable to the PhillipCapital ;

(III) For such extra / reasonable costs, including legal fees, incurred by the PhillipCapital for collecting the dues payable by the client to the PhillipCapital , an Exchange, a Clearing Corporation / Clearing House, any agent or sub-broker of the PhillipCapital and / or any other individual, partnerships, corporation, company, organisation, associates, trust or other entity acting for or on behalf of the PhillipCapital.

10.4 The client agrees , understands and confirms that if exchange/regulatory authority charges any penalty/fine for any non-compliance on clients part(including but not limited to non-payment/shortfall in margins) then such penalty/fine shall be debited to client ledger account and client shall be obliged to make payment for the same.

11. CONFIRMATIONS

11.1 Confirmation of receipt of an order by PhillipCapital shall be communicated to the client in the order-confirming module of the Channel through which the order was made. Details of the order-confirming module of each Channel are available on the PhillipCapital Web Site and shall be otherwise available upon demand at PhillipCapital office(s), and the Client agrees to keep himself updated in respect thereof. Upon execution or cancellation of an order for which the client has received a confirmation as aforesaid, PhillipCapital shall issue a contract note or ECN in the format prescribed by the relevant stock exchange confirming execution of the order. Such confirmation note or contract note shall be delivered to the Client within such number of days as shall be prescribed for such delivery in bye-laws, rules, regulations, circulars of SEBI/ Exchange. The contract note or confirmation note (as the case may be) may be sent by postal mail, electronic mail or other electronic (including digital form) and this shall be deemed to be a valid despatch thereof by PhillipCapital. It is the responsibility of the Client to review, immediately upon first receipt, whether delivered to him online, by postal mail, by electronic mail or any other electronic means, all confirmation notes/ contract notes of orders or trades..

11.2 Without prejudice to the foregoing, the Client agrees and understands that due to technical or other factors, an order which has been received by PhillipCapital may not be immediately confirmed to the Client. Such delay in confirmation shall not entitle the Client to presume that the order has not been received by PhillipCapital and the Client shall remain liable to PhillipCapital for every order of the Client duly received by PhillipCapital.

11.3 The Client shall bring any errors in any report/ any communication, contract note or confirmation note of executed trades (including execution prices, securities/commodities or quantities) to PhillipCapital's notice in writing, via electronic mail or fax within a reasonable time on receipt of the concerned report, contract note or confirmation note (as the case may be). In all cases, PhillipCapital shall have the right to accept or reject the Client's objection. In case the objection is not received by PhillipCapital within a reasonable time , the report, statement, contract

- note or confirmation note sent by PhillipCapital shall be deemed to have been accepted by the Client.
- 11.4 There may be a delay in PhillipCapital receiving the reports of a trade/transaction status from the respective Exchanges. Accordingly, PhillipCapital may forward to the Client reports, contract notes or confirmation notes in respect of such trades/ transactions that were previously unreported to PhillipCapital or were incorrectly reported to him as being expired, cancelled, or executed. The Client shall not hold PhillipCapital responsible for any losses suffered by the Client on account of 'any late reports/ statements, contract notes or confirmation notes, or any errors in reports/ statements, contract notes or confirmation notes computed by or received from any Exchange/PhillipCapital.
- 11.5 The Client agrees to receive the confirmation of transactions executed on his/its behalf by way of Electronic Contract Notes (ECN) authenticated by means of digital signature in substitute of the physical contract notes..
- 11.5.1 The Electronic Contract Notes will be deemed to have been delivered at the designated location (specified by Member from time to time) where the Client can log on to the internet site using his/ its username and password. Once the ECN have been delivered at the designated location viz. the internet site the client accepts the same as delivery of the contract note.
- 11.5.2 The ECN will be available from time to time at the Designated location. The Client will be required to save/ print download the contract notes for archiving.
- 11.5.3 Further, PhillipCapital and the Client hereby agrees to abide by the amendment in ECN from time to time if required, for complying with any statute, Regulation or with the requirements of any competent authority.
- 11.5.4 The client agrees that non receipt of bounced mail by PhillipCapital through which ECN was sent shall amount to delivery of the contract note.

The Client further agrees to receive electronically/ digitally, such documents required to be sent by PhillipCapital from time to time as specified by any Statute, Regulation or competent authority.

12. INVESTMENT ADVICE

- 12.1 PhillipCapital does not intend to give and the Client acknowledges that PhillipCapital shall not be liable to provide to the Client, any tax, legal or investment advice of any kind or any advice or opinion with respect to the nature, potential value or suitability of any particular securities trade, transaction, investment or investment strategy. The Client understands and agrees that in the event the Client receives or accesses any investment research reports or any investment or other recommendations or advice from PhillipCapital / or any Business Associates (or any employee or official of PhillipCapital /or a Business Associate) or on PhillipCapital Web Site or that of any Business Associates, the same is on a no-liability, no guarantee, no-solicitation and no-obligation basis and any decision, action or omission thereon by the Client shall be entirely at

the Client's risk and should be based solely on the Client's own verification of all the relevant facts, financial and circumstantial, a proper evaluation thereof and the Client's investment objectives and PhillipCapital shall not be responsible or liable for the same for any reason whatsoever.

- 12.2 The Client also acknowledges that PhillipCapital employees, Business Associates and/ or any employee of any Business Associates are not authorized to give any such advice and that the Client will not solicit or rely upon any such advice from PhillipCapital, a Business Associate and/ or any of the employees of PhillipCapital and/ or a Business Associate. The Client agrees that in the event of PhillipCapital or any employee or official of PhillipCapital, any Business Associate and or any employee of any Business Associate 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 PhillipCapital shall not be liable or responsible for the same.

13. REPRESENTATIONS AND WARRANTIES OF THE CLIENT

- 13.1 The Client represents and warrants to PhillipCapital that all the information provided and statements made in the Client Registration Application Form or any other document provided by the Client to PhillipCapital and/ or any Business Associate (whether before or at any time after the date hereof) in relation to the provision of the Services to the Client ("other documents") 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 PhillipCapital has agreed to provide the PhillipCapital Services to the Client on the basis, inter alia, of the statements made in the Client Registration Application Form and other documents. The Client is aware and acknowledges that trading over the Internet, Kiosks, telephone and through computers involves many uncertain factors and complex hardware, software, systems, communication lines, peripherals, etc. which are susceptible to interruptions and dislocations, and the PhillipCapital Service may at any time be unavailable with no prior notice. PhillipCapital and the Exchange do not make any representation or warranties that PhillipCapital Service 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 PhillipCapital on account of any suspension interruption, non-availability or malfunctioning of the System or Service or the Exchanges' service or systems for any reason beyond its control.
- 13.2 The Client has the required legal capacity to, and is authorized to, enter into this Document and is capable of performing his obligation and undertakings hereunder.
- 13.3 All actions required to be taken to ensure compliance with all applicable laws for all the trades/ transactions which the Client may enter into pursuant to this Document shall be completed by the Client prior to entering into such trades/transactions.
- 13.4 The Client shall abide by the Exchange Provisions, the guidelines, Rules and Regulations of SEBI and the Clearing Corporation/ House and any other pertinent regulatory authority, and the terms that PhillipCapital and PhillipCapital Web Site in force

may prescribe from time to time for use of the Services.

13.5 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 Regulations framed thereunder 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 to ensure and comply at all times with such and regulations and the Client indemnifies, PhillipCapital, its directors, employees, partners, Business Associates, agents from and against any and all losses, claims, liabilities and/ or expenses which may arise as a result of any failure by the Client to comply with the provisions of this clause 13.6.

13.6 The Client hereby agrees and represents that it has understood and fully appreciate the risk involved in, dealing in Securities/commodities and availing of the Services, and agrees to be solely responsible for the investments and trades made by PhillipCapital on his behalf pursuant to any order or instruction from the Client.

13.7 Any instructions given by an authorised representative of the Client to PhillipCapital (or to PhillipCapital representative) or any of its Business Associates shall be binding on the Client.

14. OTHER DATA

14.1 The Client understands that the Exchange and any other supplier of data (including without limitation to a Business Associate) asserts a proprietary interest in all of the market and other data it furnishes, directly, through PhillipCapital or otherwise. The Client understands that the Exchange, such supplier and PhillipCapital do not guarantee the timelines, sequence, accuracy or completeness of the data or any other information, or any messages disseminated by it. Neither PhillipCapital nor the Exchange, nor such supplier shall be liable in any way for incorrect, misleading, incomplete or outdated data or information, and, if the Client acts on the basis of the same, he shall do so at his own risk and cost.

14.2 The Client shall not furnish market information provided by the Exchange, PhillipCapital and/ or a Business Associate to the Client to any other person or entity for consideration or otherwise the Client shall use such information at the client's own risk and cost.

14.3 The Client is authorized to use, at the Client's risk, materials which are made available by PhillipCapital Services for the Client's own needs only, and the Client is not authorized to resell or permit access to such materials or to make copies of any such materials for sale or supply to or use by others. The Client will not delete Registered Trademarks, copyright or any other intellectual property rights notices from any such materials.

15. LIMITATION OF LIABILITY

15.1 PhillipCapital does not warrant that the Service will be uninterrupted or error free. The Client's use of the Service is at the Client's sole risk. The Services are offered to the Client on an "as is" and "as available" basis. PhillipCapital does not make, and expressly and specifically disclaims, any

representations or warranties of any kind, express or implied regarding the PhillipCapital Services or the System, including without limitation, those of uninterrupted availability, merchantability or fitness for a particular purpose of the Services.

15.1.1 Without limiting the generality of the foregoing, PhillipCapital specifically disclaims any guarantee or warranty that (a) the ORS Service and the Channels will be secure, uninterrupted or error free (b) that there are no viruses or harmful content on or in the ORS Service and/ or the PhillipCapital Web Site, or (c) that the content on the PhillipCapital Web Site is correct, accurate, reliable, timely, legal and of any specific quality.

15.2 The Client agrees that under no circumstances, , shall PhillipCapital or anyone involved in creating, producing, delivering or managing PhillipCapital 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 non-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 from 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 data on the PhillipCapital Web Site or the ORS Service, (c) any unauthorized use, access or alteration or discontinuance of any Services, or (d) any other matter relating to the Services.

15.3 Certain Securities may grant the holder thereof valuable rights, that may expire unless the holder takes action. The Client shall be responsible for knowing the rights and terms of all Securities acquired by the Client, PhillipCapital shall not be obliged to notify the Client of any upcoming expiration or redemption dates, or take any other action on the Client's behalf, except as required by law and applicable Exchange Provisions. The Client shall also be responsible for knowing about reorganisations related to Securities which the Client holds including, but not limited to stock splits. If due to a reorganization or book-keeping or data entry error, the Client sells more Security than what is actually owned by the Client, then PhillipCapital shall not be responsible for any losses that the Client may incur by reason thereof.

15.4 The Client agrees that PhillipCapital, its directors, employees, partners, agents, and Business Associates shall not be liable or responsible for any loss or liability caused or incurred directly or indirectly due to any act or omission of the Client or any loss of opportunity, actual or perceived, caused directly or indirectly by government restrictions, change in law, act of God, Exchange or market rulings or regulation, suspension of trading, war, earthquakes, flood, accident, strikes, power failure, communication line failure, system or telephone failure, security failure on the internet, equipment or software malfunction, hacking, unauthorized access, theft, strikes, or any problem, technological or otherwise, that might prevent the Client from entering, or PhillipCapital from executing an order, or any other conditions beyond PhillipCapital control.

15.5 PhillipCapital shall not be liable for any error or delay in, or omission from, any data, information, or

- message on PhillipCapital Web Site, the ORS Service and/ or the Service generally, or delayed, interrupted or improper transmission or delivery of any data, information, or message, or any loss or damage arising from or occasioned by the above. Further, PhillipCapital shall not be liable for any failure to execute an invalid, incomplete or inaccurate Client order.
- 15.6 The Client understands and agrees that the Services are being provided by PhillipCapital with the assistance and technology of some of its Business Associates. PhillipCapital disclaims liability and responsibility, and the Client agrees and accepts that PhillipCapital shall not be liable or responsible, for and in relation to any and all loss or damage (real or notional) incurred or suffered by the Client or anyone else as a result of any action, advice, failure or default attributable to a Business Associate.
- 16. INDEMNITY**
- 16.1 The Client agrees to indemnify and hold PhillipCapital, its directors, employees, partners, Business Associates, agents 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.
- (i) the breach of any obligation by the Client under, or any representation, warranty and/ or covenant made by the Client in, this Document;
 - (ii) any third party's right arising out of the Services rendered by PhillipCapital pursuant to this Document; and
 - (iii) any other wrongful act on the part of the Client.
- 16.2 Neither party shall be responsible/ liable, in any manner, for any violation(s) and/ or breach(es) 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 (as the case may be).
- 17. NOTICE**
- 17.1 Any notice, information or other communication to be given by the Client to PhillipCapital in connection with this Document shall be in writing and shall be deemed duly served if delivered personally or by prepaid registered post to the address, and for the attention of the person, set out below:
- To,
The Managing Director,
PhillipCapital (India) Pvt. Ltd.
No.1, 18th floor, Urmi Estate,
95, Ganpatrao Kadam Marg,
Lower Parel (West), Mumbai - 400013
- 17.2 Any notice, information or other communication to be given by PhillipCapital to the Client in connection with this Document shall be in writing and shall be deemed duly served if sent, by prepaid registered post to the address, or the e-mail address (as applicable) specified by the Client in the Client Registration Application Form as the address and mode of service for all communication to the Client.
- 17.3 Either Party may change their address and/ or the mode by which notices, communications and information is to be delivered to them by the other Party as specified aforesaid, by giving notice of such change to the other Party in the manner prescribed for service of notice to the other Party, by Clause 17.1 and 17.2 (as applicable).
- 17.4 Notwithstanding anything stated above, communication relating to order, margins/ collateral, maintenance calls and other similar matters by PhillipCapital to the Client may at the option of PhillipCapital, be communicated orally and/ or by facsimile to the clients or its representative by PhillipCapital or any Business Associate.
- 18. AMENDMENT & SUSPENSION**
- 18.1 The Client understands and agrees that PhillipCapital may suspend or discontinue its Services in part or its entirety and change the terms of the Service (including the terms on PhillipCapital Web Site) or this Document at any time and from time to time, and the same will be communicated to the client, and shall be binding upon the Client.
- 18.2 Without prejudice to the generality of the aforesaid, PhillipCapital may suspend or terminate the Service without prior notice to the Client, in the event that the Client has breached any terms or conditions of this Document or if PhillipCapital learns of the death, disability, bankruptcy or lack of legal capacity of the Client or where in the perception of PhillipCapital, the continuation of the Services could increase the risks to PhillipCapital, a Business Associate, Exchange or any other authority.
- 18.3 PhillipCapital may at any time amend this Document (and other documents entered into by the Client with PhillipCapital) by modifying or rescinding any of its existing provisions or clauses or conditions or by adding any new provisions or conditions as per the rules, bye-laws, regulations, circulars of SEBI/Exchange after giving prior notice to the Client. PhillipCapital may inform such changes to the client through letter/email/ client's back office login or host the same on its website. Continued use of PhillipCapital Service after such notice will constitute acknowledgement and acceptance of such amendment(s).
- 19. ASSIGNMENT**
- The Client shall not assign any right and obligations hereunder without obtaining prior written consent from PhillipCapital.
- 20. TERMINATION OF THIS DOCUMENT**
- 20.1 This Document shall stand terminated by mutual consent of the parties hereto by giving at least 30 (thirty) days notice to each other in writing.
- 20.2 PhillipCapital may terminate this Document:
- (i) with immediate effect in the event of a breach of any of the terms and conditions of this Document by the Client; or
 - (ii) by giving 30 days notice to the Client without being required to assign any reasons therefore.
- 20.3 The provisions of Clauses 15, 16, 25, 26 and this Clause 20.3 shall survive the termination of the Document.
- 20.4 This Document shall be forthwith terminated on 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 PhillipCapital on account of any trading or dealing done by the Client, prior to termination.
- 20.5 The termination of this Document shall not affect any rights or obligations of either party which have accrued prior to the termination or which may arise out of or in connection with trades/ transactions entered into or acts done or omitted prior to the termination, but which may result in future dues/ obligations payable by the Client to PhillipCapital and/or a Business Associates, any Exchange or any other authority.
21. **SEVERABILITY**
In the event of any provision(s) of this Document being held to be or becoming invalid, unenforceable or illegal for any reason or if it is in contravention of the Rules, Regulations and Bye-laws of the Exchange(s), such invalidity, unenforceability, illegality or contravention shall attach only to such provision, and this Document shall remain otherwise in full force apart from the said provision which will be deemed deleted. The validity of the remaining provisions shall not be affected thereby and this Document shall be carried out as if any such invalid or unenforceable or contravening clause or condition was not contained herein. PhillipCapital 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.
22. **WAIVER**
22.1 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. Except as specifically permitted in this Document, no provision of this Document can be, nor be deemed to be waived, altered, modified or amended unless agreed to in writing and signed by an authorized officer of PhillipCapital. No waiver of any single breach or default under this Document shall be deemed a waiver of any other breach or default.
- 22.2 Notwithstanding anything stated elsewhere in this Document but subject to the proviso hereinafter appearing, PhillipCapital shall have the right to, in its sole discretion, waive in whole or in part all or any of the provision of this Document which require the Client to maintain Associated Account(s) and/ or any other provision(s) of this Document. In case of such waiver:
- (i) the provisions of this Document relating to Associated Accounts and the operation thereof (and/ or any other waived provisions) shall be construed accordingly, and
 - (ii) in the absence of any Associated Bank Account, all payments by or to the Client shall be effected through and/or by a cheque/ Demand draft/ Pay Order of a bank acceptable to PhillipCapital (which may be a bank other than the Designated Bank) or in such other manner as PhillipCapital may specify; and
 - (iii) in the absence of any Associated Depository Account, all deliveries of Securities by or to the Client shall be effected through any depository account acceptable to PhillipCapital or in such other manner as PhillipCapital may specify. Provided always that notwithstanding anything stated above, PhillipCapital shall have the right, at any time in its sole and absolute discretion to withdraw such waiver in whole or in part without assigning any reasons.
23. **PARTICIPATION**
During the currency of the Document, it shall be the duty of the Client to inform PhillipCapital immediately of any change in constitution, identity by change of name, residential status or any other information as provided by the Client at the time of entering into this Document. The Client shall ensure that he shall not deal through PhillipCapital on the Exchange of which the Client is registered as a broker or sub-broker.
24. **LAW AND JURISDICTION**
This Document shall be governed by and construed in all respects in accordance with the laws of the Republic of India. All trades, transactions and contracts pursuant hereto shall be deemed to be made, entered into and to be performed in the city of Mumbai and the courts at Mumbai, India shall have exclusive jurisdiction over this Document and the arbitration proceedings in relation to this Document.
25. **EFFECT OF ATTACHMENT**
The Member shall not be liable for refusing to obey orders given by or for the Client with respect to its account(s) with the Member (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 Member shall not be under any obligation to contest the validity of such attachment or sequestration. Further, the Client shall be liable to indemnify the Member from and against any loss or expense suffered and/ or incurred by the Member as a result of such attachment
26. **LEGAL DISABILITY OR DEATH**
In the event of death, insolvency or liquidation (as applicable) of the Client or the Client otherwise becoming incapable of receiving, paying for, delivering or dealing in Derivatives which the Client has ordered to be bought, sold or otherwise dealt with, the Member may liquidate/ close out the transactions of the Client and the Client or the Client's legal representatives shall be liable for any, outstanding positions in Derivative bought, sold or otherwise dealt with by the Client and for any losses or costs in relation to the same. In case of any surplus amount accruing to the account of the Client, the Client or the Client's legal representatives/ heirs shall also be entitled to receive such surplus amount.
Any order for dealing given by the Client to the Member shall be binding upon the Client or the Client's legal representatives/ heirs until actual notification of the death, insolvency or liquidation (as the case may be) of the Client is communicated to the Member. Such communication shall not affect the rights of the Member under this Document. Subject to, and without prejudice to, the foregoing, whenever the Member deems it necessary in its sole discretion and for its own protection, or in the event,

- (a) of the Client being judicially declared Incompetent
- (b) a petition for bankruptcy/ insolvency or for the appointment of a receiver being filed against the Client;
- (c) of the Client making an assignment for the benefit of its creditors; or
- (d) of an attachment being levied against the Client,

The Member shall be entitled, regardless of prevailing market quotations, to appropriate any margin/ collateral held in the account of the Client with the Member and/ or to sell, in whole or in part any commodities or any other property of the Client held as margin/ collateral or otherwise by the Member or on its behalf.

27. ACTING AS A SUB BROKER:

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

28. DISPUTE RESOLUTION

Any claim, dispute or difference arising between the Parties hereto in respect of this Document or any contracts, trades, 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 concerned Exchange and shall be subject to the arbitration procedure as prescribed by the Rules, Bye-laws, Regulations of the Exchange and circulars issued thereunder from time to time. PhillipCapital and the Client are aware of the provisions of the Bye-Laws, Rules and Regulations of the concerned Exchange relating to arbitration.

29. COMPLIANCE WITH PMLA GUIDELINES

The client confirms and undertakes that the client will comply with the provisions of the Prevention of Money Laundering Act, 2002. PhillipCapital may be required to report the details of the transactions

undertaken by the clients to the concerned authorities if they are suspicious according to PhillipCapital's understanding.

30. SHARING OF INFORMATION

30.1 The Client agrees to immediately furnish information to PhillipCapital in writing in the event that:

- (a) any winding up petition or insolvency petition, or order has been filed or passed against the Client;
- (b) any garnishee order has been served upon Client or in respect of the Client's obligations;
- (c) any litigation has been filed against the Client;
- (d) any order, decree or award is passed against the Client; and/or
- (e) any other event or circumstances occurs that has or is likely to have an adverse effect on the financial position of the Client.

30.2 Upon receipt of information from the Client as aforesaid, PhillipCapital 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 to the extent of settlement/ margin related obligation and other lawful outstanding dues. Any and all losses, financial charges and/or incidental expenses incurred by PhillipCapital on account of such liquidation/closing out shall (at the discretion of PhillipCapital), be reimbursed by the Client/charged to and borne by the Client/ deductible by PhillipCapital from the monies and/ or Clients collateral/ margin available with PhillipCapital.

30.3 Similarly, PhillipCapital agrees to inform Client of the following:

- (a) the Derivative contract specifications and associated obligations of the Client;
- (b) the daily settlement position and daily obligations of the Client in relation to its dealings in Derivatives through the Member; and
- (c) the account (of the Client with the Member) status/ any movement in the price of the Derivatives against the Client at the end of the day.

31. PhillipCapital discloses herewith that it does undertake proprietary trading.

IN WITNESS WHEREOF, the parties to the Document have caused these presents to be executed as of the day and year first above written.

For Office Use:

For Client Use:

For PhillipCapital (India) Pvt. Ltd.	The Client's Signature / Authorised Signatory
Signed by :	Signed by : (S)
Title :	Title :
PhillipCapital (India) Pvt. Ltd.	Name of Client :
Witness Name :	Witness Name :
Witness Signature	Witness Signature

INVESTOR CHARTER - Depositories and Depository Participants

Annexure A

1. Vision

Towards making Indian Securities Market - Transparent, Efficient, & Investor friendly by providing safe, reliable, transparent and trusted record keeping platform for investors to hold and transfer securities in dematerialized form.

2. Mission

- To hold securities of investors in dematerialised form and facilitate its transfer, while ensuring safekeeping of securities and protecting interest of investors.
- To provide timely and accurate information to investors with regard to their holding and transfer of securities held by them.
- To provide the highest standards of investor education, investor awareness and timely services so as to enhance Investor Protection and create awareness about Investor Rights.

3. Details of business transacted by the Depository and Depository Participant (DP)

A Depository is an organization which holds securities of investors in electronic form. Depositories provide services to various market participants - Exchanges, Clearing Corporations, Depository Participants (DPs), Issuers and Investors in both primary as well as secondary markets. The depository carries out its activities through its agents which are known as Depository Participants (DP). Details available on the below link:

For NSDL: <https://nsdl.co.in/dpsch.php>

For CDSL: <https://www.cdslindia.com/dp/dplist.aspx>

4. Description of services provided by the Depository through Depository Participants (DP) to investors

(1) Basic Service

Sr. No	Brief about the Activity / Service	Expected Timelines for processing by the DP after receipt of proper documents
1.	Dematerialization of securities	7 days
2.	Rematerialization of securities	7 days
3.	Mutual Fund Conversion/ Destatementization	5 days
4.	Re-conversion/ Restatementisation of Mutual fund units	7 days
5.	Transmission of securities	7 days
6.	Registering pledge request	15 days
7.	Closure of demat account	30 days
8.	Settlement Instruction	For T+1 day settlements, Participants shall accept instructions from the Clients, in physical form up to 4 p.m. (in case of electronic instructions up to 6.00 p.m.) on T day for pay-in of securities.

		<p>For T+0 day settlements, Participants shall accept EPI instructions from the clients, till 11:00 AM on T day, if applicable.</p> <p>Note: 'T' refer to 'Trade day'</p>
--	--	---

- (2) Depositories provide special services like pledge, hypothecation, internet based services etc. in addition to their core services and these include

Sr.No	Type of Activity /Service	Brief about the Activity / Service
1.	Value Added Services	<p>Depositories also provide value added services such as</p> <ol style="list-style-type: none"> Basic Services Demat Account (BSDA) (www.phillipcapital.in/uploads/pdf/regulatory/DP_Value_Added_Services.pdf) Transposition cum dematerialization (www.phillipcapital.in/uploads/pdf/regulatory/DP_Value_Added_Services.pdf) Linkages with Clearing System (www.phillipcapital.in/uploads/pdf/regulatory/DP_Value_Added_Services.pdf) Distribution of cash and non-cash corporate benefits (Bonus, Rights, IPOs etc.).
2.	Consolidated Account statement(CAS)	CAS is issued 10 days from the end of the month (if there were transactions in the previous month) or half yearly (if no transactions).
3.	Digitalization of services provided by the depositories	<p>Depositories offer below technology solutions and e-facilities to their demat account holders through DPs:</p> <ol style="list-style-type: none"> E-account opening (www.phillipcapital.in/uploads/pdf/regulatory/DP_Value_Added_Services.pdf) Online instructions for execution (www.phillipcapital.in/uploads/pdf/regulatory/DP_Value_Added_Services.pdf) e-DIS / Demat Gateway (www.phillipcapital.in/uploads/pdf/regulatory/DP_Value_Added_Services.pdf) e-CAS facility (www.phillipcapital.in/uploads/pdf/regulatory/DP_Value_Added_Services.pdf) Miscellaneous services (www.phillipcapital.in/uploads/pdf/regulatory/DP_Value_Added_Services.pdf)

5. Details of Grievance Redressal Mechanism

The Process of investor grievance redressal

1.	Investor Complaint/ Grievances	<p>Investor can lodge complaint/ grievance against the Depository/DP in the following ways:</p> <p>a. Electronic mode –</p> <ul style="list-style-type: none"> i. SCORES 2.0 (a web based centralized grievance redressal system of SEBI) (https://scores.sebi.gov.in) <u>Two Level Review for complaint/grievance against DP:</u> <ul style="list-style-type: none"> - First review done by Designated Body - Second review done by SEBI ii. Respective Depository's web portal dedicated for the filing of complaint https://investor.nsdl.com/portal/en/home https://www.cdslindia.com/footer/grievances.aspx iii. Emails to designated email IDs of Depository https://nsdl.co.in/contactus.php https://www.cdslindia.com/Main/ContactUs.aspx <p>b. Offline mode: [In case of any grievances please write to css-1000@phillipcapital.in]</p> <p>The complaints/ grievances lodged directly with the Depository shall be resolved within 21 days.</p>
2.	Online Dispute Resolution (ODR) platform for online Conciliation and Arbitration	<p>If the Investor is not satisfied with the resolution provided by DP or other Market Participants, then the Investor has the option to file the complaint/ grievance on SMARTODR platform for its resolution through by online conciliation or arbitration. https://smartodr.in/login</p>
3.	Steps to be followed in ODR for Review, Conciliation and Arbitration	<ul style="list-style-type: none"> ➤ Investor to approach Market Participant for redressal of complaint. ➤ If investor is not satisfied with response of Market Participant, he/she can escalate the complaint on SEBI SCORES portal. ➤ Alternatively, the investor may also file a complaint on SMARTODR portal for its resolution through online conciliation and arbitration. ➤ Upon receipt of complaint on SMARTODR portal, the relevant MII will review the matter and endeavour to resolve the matter between the Market Participant and investor within 21 days. ➤ If the matter could not be amicably resolved, then the Investor may request the MII to refer the matter case for

		<p>conciliation.</p> <ul style="list-style-type: none"> ➤ During the conciliation process, the conciliator will endeavor for amicable settlement of the dispute within 21 days, which may be extended with 10 days by the conciliator. ➤ If the conciliation is unsuccessful, then the investor may request to refer the matter for arbitration. ➤ The arbitration process to be concluded by arbitrator(s) within 30 days, which is extendable by 30 days.
--	--	--

For the multi-level complaint resolution mechanism available at the Depositories
(www.phillipcapital.in/uploads/pdf/regulatory/DP_MultiLevel_Complaint_Resolution_Mechanism.pdf)

6. Guidance pertaining to special circumstances related to market activities: Termination of the Depository Participant

Sr.No	Type of special circumstances	Timelines for the Activity/ Service
1.	<ul style="list-style-type: none"> • Depositories to terminate the participation in case a participant no longer meets the eligibility criteria and/or any other grounds as mentioned in the bye laws like suspension of trading member by the Stock Exchanges. • Participant surrenders the participation by its own wish. 	Client will have a right to transfer all its securities to any other Participant of its choice without any charges for the transfer within 30 days from the date of intimation by way of letter/email.

7. Dos and Don'ts for Investors
(www.phillipcapital.in/uploads/pdf/regulatory/DP_Dos_and_Donts_Investors.pdf)
8. Rights of investors
(www.phillipcapital.in/uploads/pdf/regulatory/DP_Rights_of_Investors.pdf) _
9. Responsibilities of Investors
(www.phillipcapital.in/uploads/pdf/regulatory/DP_Responsibilities_of_investors.pdf) _
10. Code of Conduct for Depositories
(www.phillipcapital.in/uploads/pdf/regulatory/DP_Code_of_Conduct_Depositories.pdf) _
11. Code of Conduct for Participants
(www.phillipcapital.in/uploads/pdf/regulatory/DP_Code_of_Conduct_Participants.pdf) _

Investor Charter – Stock Brokers

1. Vision

To follow highest standards of ethics and compliances while facilitating the trading by clients in securities in a fair and transparent manner, so as to contribute in creation of wealth for investors.

2. Mission

- I. To provide high quality and dependable service through innovation, capacity enhancement and use of technology.
- II. To establish and maintain a relationship of trust and ethics with the investors.
- III. To observe highest standard of compliances and transparency.
- IV. To always keep 'protection of investors' interest' as goal while providing service.
- V. To ensure confidentiality of information shared by investors unless such information is required to be provided in furtherance of discharging legal obligations or investors have provided specific consent to share such information.

3. Services provided to Investors by stockbrokers include

- I. Execution of trades on behalf of investors.
- II. Issuance of Contract Notes.
- III. Issuance of intimations regarding margin due payments.
- IV. Facilitate execution of early pay-in obligation instructions.
- V. Periodic Settlement of client's funds.
- VI. Issuance of retention statement of funds at the time of settlement.
- VII. Risk management systems to mitigate operational and market risk.
- VIII. Facilitate client profile changes in the system as instructed by the client.
- IX. Information sharing with the client w.r.t. relevant Market Infrastructure Institutions (MII) circulars.
- X. Provide a copy of Rights & Obligations document to the client.
- XI. Communicating Most Important terms and Conditions (MITC) to the client.
- XII. Redressal of Investor's grievances.

4. Rights of Investors

- I. Ask for and receive information from a firm about the work history and background of the person handling your account, as well as information about the firm itself (including website providing mandatory information).
- II. Receive complete information about the risks, obligations, and costs of any investment before investing.
- III. Receive a copy of all completed account forms and rights & obligation document.
- IV. Receive a copy of 'Most Important Terms & Conditions' (MITC).

- V. Receive account statements that are accurate and understandable.
- VI. Understand the terms and conditions of transactions you undertake.
- VII. Access your funds in a prescribed manner and receive information about any restrictions or limitations on access.
- VIII. Receive complete information about maintenance or service charges, transaction or redemption fees, and penalties in form of tariff sheet.
- IX. Discuss your grievances with compliance officer / compliance team / dedicated grievance redressal team of the firm and receive prompt attention to and fair consideration of your concerns.
- X. Close your zero balance accounts online with minimal documentation
- XI. Get the copies of all policies (including Most Important Terms and Conditions) of the broker related to dealings of your account
- XII. Not be discriminated against in terms of services offered to equivalent clients
- XIII. Get only those advertisement materials from the broker which adhere to Code of Advertisement norms in place
- XIV. In case of broker defaults, be compensated from the Exchange Investor Protection Fund as per the norms in place
- XV. Trade in derivatives after submission of relevant financial documents to the broker subject to brokers' adequate due diligence.
- XVI. Get warnings on the trading systems while placing orders in securities where surveillance measures are in place
- XVII. Get access to products and services in a suitable manner even if differently abled
- XVIII. Get access to educational materials of the MIIs and brokers
- XIX. Get access to all the exchanges of a particular segment you wish to deal with unless opted out specifically as per Broker norms
- XX. Deal with one or more stockbrokers of your choice without any compulsion of minimum business
- XXI. Have access to the escalation matrix for communication with the broker
- XXII. Not be bound by any clause prescribed by the Brokers which are contravening the Regulatory provisions.

5. Various activities of Stock Brokers with timelines

S.No.	Activities	Expected Timelines
1.	KYC entered into KRA System and CKYCR	3 working days of account opening
2.	Client Onboarding	Immediate, but not later than one week
3.	Order execution	Immediate on receipt of order, but not later than the same day
4.	Allocation of Unique Client Code	Before trading
5.	Copy of duly completed Client Registration Documents to clients	7 days from the date of upload of Unique Client Code to the Exchange by the trading member

6.	Issuance of contract notes	24 hours of execution of trades
7.	Collection of upfront margin from client	Before initiation of trade
8.	Issuance of intimations regarding other margin due payments	At the end of the T day
9.	Settlement of client funds	First Friday/Saturday of the month / quarter as per Exchange pre- announced schedule
10.	'Statement of Accounts' for Funds, Securities and Commodities	Monthly basis
11.	Issuance of retention statement of funds/commodities	5 days from the date of settlement
12.	Issuance of Annual Global Statement	30 days from the end of the financial year
13.	Investor grievances redressal	21 calendar days from the receipt of the complaint

6. DOs and DON'Ts for Investors

DOs	DON'Ts
<ol style="list-style-type: none"> 1. Read all documents and conditions being agreed before signing the account opening form. 2. Receive a copy of KYC, copy of account opening documents and Unique Client Code. 3. Read the product / operational framework / timelines related to various Trading and Clearing & Settlement processes. 4. Receive all information about brokerage, fees and other charges levied. 5. Register your mobile number and email ID in your trading, demat and 	<ol style="list-style-type: none"> 1. Do not deal with unregistered stock broker. 2. Do not forget to strike off blanks in your account opening and KYC. 3. Do not submit an incomplete account opening and KYC form. 4. Do not forget to inform any change in information linked to trading account and obtain confirmation of updation in the system. 5. Do not transfer funds, for the purposes of trading to anyone other than a stock broker. No payment should be made in name of employee of stock broker.

<p>bank accounts to get regular alerts on your transactions.</p> <ol style="list-style-type: none"> 6. If executed, receive a copy of Demat Debit and Pledge Instruction (DDPI) However, DDPI is not a mandatory requirement as per SEBI / Stock Exchanges. Before granting DDPI, carefully examine the scope and implications of powers being granted. 7. Receive contract notes for trades executed, showing transaction price, brokerage, GST and STT/CTT etc. as applicable, separately, within 24 hours of execution of trades. 8. Receive funds and securities/ commodities on time, as prescribed by SEBI or exchange from time to time. 9. Verify details of trades, contract notes and statement of account and approach relevant authority for any discrepancies. Verify trade details on the Exchange websites from the trade verification facility provided by the Exchanges. 10. Receive statement of accounts periodically. If opted for running account settlement, account has to be settled by the stock broker as per the option given by the client (Monthly or Quarterly). 11. In case of any grievances, approach stock broker or Stock Exchange or SEBI for getting the same resolved within prescribed timelines. 12. Retain documents for trading activity as it helps in resolving disputes, if they arise. 	<ol style="list-style-type: none"> 6. Do not ignore any emails / SMSs received with regards to trades done, from the Stock Exchange and raise a concern, if discrepancy is observed. 7. Do not opt for digital contracts, if not familiar with computers. 8. Do not share trading password. 9. Do not fall prey to fixed / guaranteed returns schemes. 10. Do not fall prey to fraudsters sending emails and SMSs luring to trade in stocks / securities promising huge profits. 11. Do not follow herd mentality for investments. Seek expert and professional advice for your investments
---	---

Additionally, Investors may refer to Dos and Don'ts issued by MIs on their respective websites from time to time.

7. Grievance Redressal Mechanism

The process of investor grievance redressal is as follows:

1.	Investor complaint/Grievances	<p>Investor can lodge complaint/grievance against stock broker in the following ways:</p> <p><u>Mode of filing the complaint with stock broker</u></p> <p>Investor can approach the Stock Broker at the designated Investor Grievance e-mail ID of the stock broker. The Stock Broker will strive to redress the grievance immediately, but not later than 21 days of the receipt of the grievance</p> <p><u>Mode of filing the complaint with stock exchanges</u></p> <p>i. SCORES 2.0 (a web based centralized grievance redressal system of SEBI) (https://scores.sebi.gov.in)</p> <p><u>Two level review for complaint/grievance against stock broker:</u></p> <ul style="list-style-type: none"> • First review done by Designated body/Exchange • Second review done by SEBI <p>ii. Emails to designated email IDs of Exchange</p>
2.	Online Dispute Resolution (ODR) platform for online Conciliation and Arbitration	<p>If the Investor is not satisfied with the resolution provided by the Market Participants, then the Investor has the option to file the complaint/ grievance on SMARTODR platform for its resolution through online conciliation or arbitration.</p>
3.	Steps to be followed in ODR for Review, Conciliation and Arbitration	<p>1. Investor to approach Market Participant for redressal of complaint</p> <p>2. If investor is not satisfied with response of Market Participant, he/she has either of the following 2 options:</p>

		<p>i. May escalate the complaint on SEBI SCORES portal.</p> <p>ii. May also file a complaint on SMARTODR portal for its resolution through online conciliation and arbitration.</p> <p>3. Upon receipt of complaint on SMARTODR portal, the relevant MII will review the matter and endeavor to resolve the matter between the Market Participant and investor within 21 days.</p> <p>4. If the matter could not be amicably resolved, then the matter shall be referred for conciliation.</p> <p>5. During the conciliation process, the conciliator will endeavor for amicable settlement of the dispute within 21 days, which may be extended with 10 days by the conciliator with consent of the parties to dispute.</p> <p>6. If the conciliation is unsuccessful, then the investor may request to refer the matter for arbitration.</p> <p>7. The arbitration process to be concluded by arbitrator(s) within 30 days, which is extendable by 30 days with consent of the parties to dispute.</p>
--	--	--

8. Handling of Investor's claims / complaints in case of default of a Trading Member / Clearing Member (TM/CM)

Default of TM/CM

Following steps are carried out by Stock Exchange for benefit of investor, in case stock broker defaults:

- Circular is issued to inform about declaration of Stock Broker as Defaulter.
- Information of defaulter stock broker is disseminated on Stock Exchange website.
- Public Notice is issued informing declaration of a stock broker as defaulter and inviting claims within specified period.
- Intimation to clients of defaulter stock brokers via emails and SMS for facilitating lodging of claims within the specified period.

Following information is available on Stock Exchange website for information of investors:

- Norms for eligibility of claims for compensation from IPF.
- Claim form for lodging claim against defaulter stock broker.
- FAQ on processing of investors' claims against Defaulter stock broker.
- Provision to check online status of client's claim.
- Standard Operating Procedure (SOP) for handling of Claims of Investors in the Cases of Default by Brokers
- Claim processing policy against Defaulter/Expelled members
- List of Defaulter/Expelled members and public notice issued