



STOCKOLOGY SECURITIES PRIVATE LIMITED

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(M.P.)

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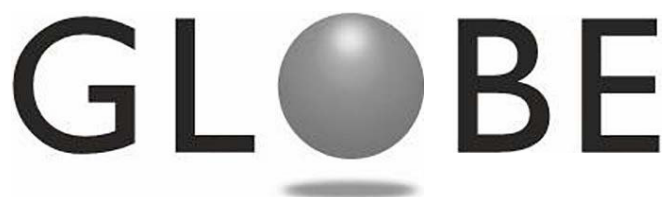
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CLIENT COPY

PART B



money *must* grow

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SEBI Regn. No.:

Equity SEBI Registration No INZ000177137. Exchange Registration Nos NSE :
TM No-06637, Clearing No-M50302, BSE : TM No-3179, MSEI : TM Code-
1004

MCX TM No. : 8091, CM ID : 8090, NCDEX TM No. : 1287, CM ID : M51085
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MANDATORY DOCUMENTS AS PRESCRIBED BY SEBI & EXCHANGES

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RIGHTS AND OBLIGATIONS OF STOCK BROKERS, AUTHORISED PERSONS AND CLIENTS

As prescribed by SEBI, 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 member, authorised persons and the client shall be bound by all the Rules, Byelaws and Regulations of the Exchange and circulars/notices issued there under and Rules and Regulations of SEBI and relevant notifications of Government authorities as may be in force from time to time.
3. The client shall satisfy itself of the capacity of the member to deal in securities and/or deal in derivatives contracts and wishes to execute its orders through the stock broker and the client shall from time to time continue to satisfy itself of such capability of the stock broker before executing orders through the member.
4. The member shall continuously satisfy itself about the genuineness and financial soundness of the client and investment objectives relevant to the services to be provided.
5. The stock broker shall take steps to make the client aware of the precise nature of the Stock broker's liability for business to be conducted, including any limitations, the liability and the capacity in which the stock broker acts.
6. The 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.
7. The member, authorised persons and the client shall be bound by all the Rules, Byelaws and Regulations of the Exchange and circulars/notices issued there under and Rules and Regulations of SEBI and relevant notifications of Government authorities as may be in force from time to time.
8. The client shall satisfy itself of the capacity of the member to deal in securities and/or deal in derivatives contracts and wishes to execute its orders through the stock broker and the client shall from time to time continue to satisfy itself of such capability of the stock broker before executing orders through the member.
9. The member shall continuously satisfy itself about the genuineness and financial soundness of the client and investment objectives relevant to the services to be provided.
10. 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.
11. The client understands that payment of margins by the client does not necessarily imply complete satisfaction of all dues. In spite of consistently having paid margins, the client may, on the settlement of its trade, be obliged to pay (or entitled to receive) such further sums as the contract may dictate/require.

CLIENT INFORMATION

6. 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.
7. 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.
8. The client shall immediately notify the member in writing if there is any change in the information in the 'account opening form' as provided at the time of account opening and thereafter, including the information on winding up petition/insolvency petition or any litigation which may have material bearing on his capacity. The client shall provide/update the financial information to the stock broker on a periodic basis.
9. The stock broker and authorised persons shall maintain all the details of the client as mentioned in the account opening form or any other information pertaining to the client, confidentially and that they shall not disclose the same to any person/authority except as required under any law/regulatory requirements. Provided however that the stock broker may so disclose information about his client to any person or authority with the express permission of the client.
10. 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.
11. 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.
12. 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, Byelaws, circulars and notices of Exchange.
13. 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).
14. The transactions executed on the Exchange are subject to Rules, Byelaws and Regulations and circulars/notices issued there under of the Exchanges where the trade is executed and all parties to such trade shall have submitted to the jurisdiction of such court as may be specified by the Byelaws and Regulations of the Exchanges where the trade is executed for the purpose of giving effect to the provisions of the Rules, Byelaws and Regulations of the Exchanges and the circulars/notices issued there under.

MARGINS

10. The client shall pay applicable initial margins, withholding margins, special margins or such other margins as are considered necessary by

BROKERAGE

17. 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

18. 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.
19. 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.

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

20. The stock broker shall provide the client with the relevant contact details of the concerned Exchanges and SEBI.
21. 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.
22. The client and the stock broker shall refer any claims and/or disputes with respect to deposits, margin money, etc., to arbitration as per the Rules, Byelaws and Regulations of the Exchanges where the trade is executed and circulars/notices issued there under as may be in force from time to time.
23. The stock broker shall ensure faster settlement of any arbitration proceedings arising out of the transactions entered into between him vis-avis the client and he shall be liable to implement the arbitration awards made in such proceedings.
24. 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

25. 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.

26. 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.

ADDITIONAL RIGHTS AND OBLIGATIONS

27. 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.
28. 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.
29. 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.
30. 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.
31. 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.
32. 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/ .
33. 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.
34. 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)

35. In case, client opts to receive the contract note in electronic form, he shall provide an appropriate email id to the stock broker. The client shall communicate to the stock broker any change in the email-id through a physical letter. If the client has opted for internet trading, the request for change of email id may be made through the secured access by way of client specific user id and password.
36. The stock broker shall ensure that all ECNs sent through the e-mail shall be digitally signed, encrypted, non-tamper able and in compliance with the provisions of the IT Act, 2000. In case, ECN is sent through email as an attachment, the attached file shall also be secured with the digital signature, encrypted and nontamperable.
37. 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.
38. 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.
39. 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.
40. 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

41. In addition to the specific rights set out in this document, the stock broker, authorised person and the client shall be entitled to exercise any other rights which the stock broker or the client may have under the Rules, Bye-laws and Regulations of the Exchanges in which the client chooses to trade and circulars/notices issued there under or Rules and Regulations of SEBI.
42. 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.
43. 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.
44. Words and expressions which are used in this document but which are not defined herein shall, unless the context otherwise requires, have the same meaning as assigned thereto in the Rules, Byelaws and Regulations and circulars/notices issued there under of the Exchanges/SEBI.
45. 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.
46. 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.

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.

ADDITIONAL RISK DISCLOSURE DOCUMENTS FOR OPTIONS TRADING

Risk of Option holders:

1. An option holder runs the risk of losing the entire amount paid for the option in a relatively short period of time. This risk reflects the nature of an option as a wasting asset which becomes worthless when it expires. An option holder who neither sells his option in the secondary market nor exercises it prior to its expiration will necessarily lose his entire investment in the option. If the price of the underlying does not change in the anticipated direction before the option expires, to an extent sufficient to cover the cost of the option, the investor may lose all or a significant part of his investment in the option.
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GUIDANCE NOTE - DO'S AND DON'TS FOR TRADING ON THE EXCHANGE(S) FOR EQUITY & EQUITY DERIVATIVE CLIENTS

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' websites i.e. www.nseindia.com, the 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, if any, free of charge. Standard set of documents (Rights and Obligations, Risk Disclosure Document, Guidance Note, Policies and Procedures) as prescribed by SEBI will be available at Stockology Securities Private Limited website at www.stockologysecurities.com
7. In case you wish to execute Demat Debit and Pledge Instruction (DDPI) 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.
- (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 e-mail id with the stock broker, to receive trade confirmation alerts/details of the transactions through SMS or e-mail, by the end of the trading day, from the stock exchanges.

IN CASE OF TERMINATION OF TRADING MEMBERSHIP

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

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.

The above documents are available in vernacular language at the below links:

https://www.nseindia.com/membership/content/complinc_trading_mem.htm

TRANSACTIONS AND SETTLEMENTS

8. The stock broker may issue electronic contract notes (ECN) if specifically authorized by you in writing. You should provide your e-mail 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.

POLICIES AND PROCEDURES APPLICABLE TO CLIENTS OF STOCKOLOGY SECURITIES PRIVATE LIMITED

1. REFUSAL OF ORDERS FOR PENNY STOCKS

Stockology Securities Private Limited ("SSPL") normally offers trading facility to its clients in all the compulsorily dematerialised stocks which are listed on the Stock Exchanges. However, SSPL discourages/ restricts trading in penny stocks by the clients as they are susceptible to manipulation and risky for investors and in turn to SSPL.

"Penny Stocks" for this purpose shall include:

- a. Stocks appearing in the list of illiquid securities issued by the Exchanges from time to time.
- b. Stocks which are highly illiquid and have a low market capitalization and 'Z' Group Securities.
- c. Any securities as may be restricted for trading by Exchanges.
- d. Stocks categorized by exchange in ASM, GSM, Unsolicited SMS.
- e. Any other securities as may be restricted for trading by SSPL based on its internal evaluation.

As a part of Risk Management System, SSPL restricts clients to buy/ sell in penny stocks only on the basis of 100% upfront margin and on delivery basis. Also, SSPL have/may have in place further restrictions in terms of quantity/ value in each/all penny stocks together as notified by its extant circulars. Further in case of Internet Trading clients, SSPL may at any time at its sole discretion block/ restrict the client's online trading terminal to prevent the client from placing orders in such penny stocks through the Online Trading Platform of SSPL. Further in case the client is able to place an order for penny stocks which are restricted by SSPL through Online Trading Platform or otherwise, SSPL may not accept such order.

SSPL shall not be held liable for restricting/ prohibiting trade in penny stocks at any time. Further, SSPL shall not be held liable or responsible in any manner whatsoever for any refusal/cancellation of orders for trading in penny stocks/other securities and the Client shall indemnify SSPL in respect of any loss caused to SSPL by virtue of the Client trading in penny stocks.

2. SETTING UP OF CLIENT'S EXPOSURE LIMITS

As part of risk management, 'SSPL' accepts margin from clients in form of funds, pledged securities and other forms prescribed by Regulator from time to time.

Margin available for trading margin = Adjusted Ledger Balance + After Haircut Value of pledge stocks- Required exchange margin on unsettled sell transactions/Unsettled derivative credit bills.

The trading ledger balance is adjusted to factor unclear cheque, value of undelivered stocks and debit balance in broker margin funding account from the clients trading ledger balance.

SSPL shall set client's exposure limits depending on the type of securities provided as Margin/ available funds in the client's ledger. Exposure limits are also set based on categories of stocks/ position (derivatives) client can trade. Securities that are acceptable as margin and their categorization may be changed by SSPL from time to time at its sole discretion. Further client categorization may also be changed based on various factors including trading pattern of clients, profile/ residential status/ financial status of client.

SSPL from time to time shall apply such haircuts as may be decided by SSPL on the approved securities against which the Exposure limits are given to the client. SSPL may from time to time change the applicable hair cut or apply a haircut higher than that specified by the Regulators/Exchanges as part of its Risk Management System.

Subject to the client's exposure limits, client may trade in securities and/ or take positions in the futures and options segment. Client shall abide by the exposure limits, if any, set by SSPL or by the Exchange or Clearing Corporation or SEBI from time to time. Limits/ Exposure provided shall vary based on the intraday/ delivery/ carry forward positions made by the client.

The exposure limits set by SSPL does not by itself create any right for the Client and are liable to be withdrawn at any time without notice and the client shall bear the loss on account of withdrawal of such limits. The client agrees to compensate SSPL in the event of SSPL suffering any loss, harm or injury on account of exposure given and/or withdrawn. In case of sale of Securities, such sale may at the discretion of SSPL be provided only to the extent of the availability of securities in the account of the client (DP free Stock, DP lien/ hold marked securities). Further the credit received against sale may be used for exposure as may be decided by SSPL from time to time.

In case of derivatives, Clients shall be allowed to trade only up to the applicable client- wise position limits set by the Exchanges/Regulators from time to time. SSPL may from time-to-time demand additional margin from the client in the form of funds or securities if there is a requirement for the same and the client shall be required to provide the same.

A. Capital Market Segment

It is mandatorily to pay VaR margins, Extreme loss Margin (ELM) and other applicable margins (ranging between 20% - 100%) on an upfront basis i.e. in advance of trade. Other margins such as Mark-to-market margin (MTM), delivery margin, special/additional Margin or such other margins as may be prescribed from time to time, shall be collected within T+2 working days.

Intraday trading, Cover and bracket order (in Equity segment of NSE) is provided on selected scrips to clients for buying and short selling subject to upfront margin between 20% to 100% (subject to changes). All open positions of the client marked as intraday trades, are compulsorily squared off on best effort basis before end of the day irrespective of profit or loss making positions.

B. Derivative segment (Equity)

It is mandatory to pay SPAN/ Initial margin & Extreme loss margin on an upfront basis

i.e. in advance of trade. Delivery Margin (for F&O) and margin on consolidated crystallized obligation (for F&O) shall be payable by T+1 day. However, in case of future contracts, final settlement amount shall be payable by T+2 day. Further, for derivatives, other margins such as Mark-to-market margin (MTM), delivery margin, special/additional Margin or such other margins as may be prescribed from time to time, shall be payable within T+2 working days.

All open positions of the client marked as intraday trades, are compulsorily squared off on best effort basis before end of the day irrespective of profit or loss making positions.

C. T+6 Settlement

After creating buy position with upfront margin requirement between 20% to 100% (subject to changes), the settlement amount has to be paid before T+6 day. No further exposure to the clients when debit balances arise out of client's failure to pay the required amount and such debit balances continues beyond the fifth trading day, as reckoned from date of pay-in.

D. Broker margin funding facility in equity segment (NSE)

The facility allows the client to carry forward equity positions till the time positions are squared off or payment is made. The upfront Margin & MTM as applicable and required to be paid in the form of funds/ pledged securities. Further, the clients are required to authenticate the funded stock pledge within the prescribed else funding on given security will be reversed on T+1 EOD.

3. APPLICABLE BROKERAGE RATES

The Schedule of Brokerage and other charges leviable by SSPL on the clients are provide under the heading "Tariff Sheet" in this Form. Within the mentioned scale, the brokerage and other charges will be charged as agreed by the client in that section. If there is any upward revision of brokerage, the same will be informed to the client with 15 days prior notice. However, all the brokerage and other

charges are subject to the maximum limits as prescribed by SEBI/ Exchanges/ Government and other Regulatory authorities from time to time.

4. IMPOSITION OF PENALTY OR DELAYED PAYMENT CHARGES

The clients are required to settle the pay-in/ provide margin within the time limits provided by Exchanges/ SEBI/ SSPL risk management system. In case the client fails to provide the same within the prescribed time, delayed payment charges up to 2% per month shall be levied on the client's account on any delayed payments towards trading either in the cash or derivatives segments or on account of any other reason beyond the due date of payment as may be prescribed by SSPL. Such delayed payment charges shall be directly debited to the account of the Client. This is only a penal measure and brings in discipline in the clients to clear the dues in time as SSPL had to clear its obligations to the Exchange as per the time limits set by the Exchanges. SSPL reserves the right of imposition of delayed payment charges on the client account and the client shall be liable for payment of such charges at such rate as may be prescribed by SSPL from time to time.

5. RIGHT TO SELL CLIENTS SECURITIES OR CLOSE CLIENTS POSITIONS, WITHOUT GIVING NOTICE TO THE CLIENT ON ACCOUNT OF NON-PAYMENT OF DUES. (LIMITED TO SETTLEMENT/MARGIN OBLIGATIONS)

As a part of its Risk Management System, SSPL shall have the sole discretion to square off the open position of the Client and/ or sell clients' securities (including securities maintained as margin with SSPL and securities lying in client's beneficiary/ demat account) in case the client fails to meet its settlement/margin obligations in time. The specific securities to be sold and the positions to be squared off shall be decided solely by SSPL. Further, the square off of client's open position or the selling of securities may be executed on best effort basis on such Exchanges and at such price as may be decided by SSPL. SSPL shall have no obligation of communicating the same to the Client. SSPL shall not be responsible for any losses, delays, brokerage, other charges, margin shortfall penalties etc. incurred by the client due to such squaring off of the open position of the client. SSPL reserves the right to square off client's open positions or sell clients' securities under following circumstances:

A. Where the limits given to the Client have been breached inter-alia;

- (i) Block and sell - In case of Non broker margin funding clients, at the end of the day clients are required to maintain minimum 20% margin (subject to changes) in approved form of margin as per SSPL. Client needs to pay 100% margin for unapproved category of stocks as per SSPL scrip categorization and haircut policy.

For broker margin funding clients, at the end of the day clients are required to maintain minimum margin and MTM loss requirement on funded stocks as prescribed by the exchange from time to time.

Failing to above, clients will be marked in block and sell category and clients need to provide shortfall margin before 8.30 am of next trading session to avoid risk selling by RMS. Block and sell clients are kept in square off mode till the time RMS liquidation process completed. Normally, RMS liquidates positions on best effort basis between 9.15 am to 9.45 am or such other time at its discretion. The square off mode gets removed after entire process gets completed. The securities would be liquidated as per discretion of the SSPL.

- ii) T+6 Settlement - Clients need to settle pending dues and unpaid securities on or before 6th day of purchases either by way of pay-in or selling the holdings. In case of failure of settlement by client, SSPL RMS will liquidate unpaid securities and unsettled amount as per T+6. In liquidation process, first Unpaid securities get liquidated on FIFO basis and thereafter other securities get liquidated to recover any pending amount as per T+6. Unclear cheque is not considered on T+6 day as settlement.
- iii) Intraday Trades (All segment)-All open positions of the client marked as intraday

trades, are compulsorily squared off on best effort basis before end of the day irrespective of profit or loss making positions. The out of the money options contracts in derivative segment will not be square-off after 3.15 pm on the expiry day. For any reasons positions remains open, the client is liable for the delivery settlement / carry forward positions and also needs to make payment of required margin before end of day. SSPL shall not be hold responsible for any losses, brokerage, other charges, margin shortfall penalties etc.

- B. Where the Client has defaulted on their existing obligation and / or have failed to make payments / deliver securities to SSPL within the stipulated time period as may be prescribed by SSPL.
- C. In addition to above, in case of equity, derivatives transactions,
 - i) where the margin or security placed by the Client with SSPL falls short of the applicable minimum margin as may be required to be maintained by the client;
 - ii) Where Mark to Market Loss on the open position has reached the stipulated % of the margins placed with SSPL and the Client(s) have not taken any steps either to replenish the margin or reduce the Mark to Market Loss;
 - iii) If the open position is neither squared off nor converted to Delivery by Client(s) within the stipulated time.
 - iv) Physical settlement in derivative segment
 - a. All open positions in stock future and options are liable for compulsory physically settled. On the expiry day after 2.00 pm SSPL do square off in these contracts.
 - b. Out of money option contracts are not liable for the physical settlement hence these contracts are not squared off by SSPL on the expiry day at 2.30 pm. SSPL shall not be responsible. if any contracts convert to "In the money" from "out of money" after 2.30 pm.
 - c. The netted off positions before doing square off is calculated as per below table. The positions netted of with the options writing positions are having risk of physical settlement as buyer of the CALL options has right (but not obligation) to buy the shares at the strike price before or on the expiry date and buyer of the PUT options has right (but not obligation) to sell the shares at the strike price before or on the expiry date.

Position	Position
FUTURE BUY	ITM PUT BUY
FUTURE BUY	ITM CALL SELL
FUTURE SELL	ITM PUT SELL
FUTURE SELL	ITM CALL BUY
ITM CALL BUY	ITM PUT BUY
ITM CALL SELL	ITM PUT SELL
ITM CALL SELL	Holding Available in client DP
ITM PUT BUY	Holding Available in client DP
FUTURE SELL	Holding Available in client DP

- d. For any reasons positions remain open is liable for the delivery settlement positions. Client needs to make payment of required margin before end of day, delivery of shares towards payin obligation, payin of funds on T+1. SSPL shall not be hold responsible for any losses, brokerage, other charges, margin shortfall penalties etc.
- e. On the monthly Expiry Day, RMS will square off ITM (In the money) options & future stock contract to avoid any physical delivery settlement by End of Day (EOD), however for stock option contract square offs shall include two
 - (2) strike price on the upper or lower side of the ITM contract to avoid any volatility risk.
- D. In case of derivatives transactions,
 1. Clients having open positions in compulsory deliverable contracts must be squared off before the start of tender / delivery period

i.e. 5 days prior to expiry date. Further, new positions will not be allowed during tender / delivery period of 5 days.

2. In case client wishes to opt for delivery-based settlement for any, consent should be given for the same to the Relationship Manager either in writing or through its registered email. In such cases, buyer needs to ensure that sufficient margin against the deliverable quantity is lying with the SSPL to meet the obligations. The Seller who intends to give delivery needs to ensure that the physical is made available and the same is reflected in the COMRIS / CONTRACK / CCRL/NERL account before the Tender period begins.
3. Clients having positions where contracts are either cash settled or settled at due date rate (DDR) must be squared on or before expiry of the contract.

SSPL reserves the right to square off the open position of client and/ or sell client's securities under the prescribed circumstances. However, SSPL is not obligated and does not guarantee to square off the open positions and/ or sell client's securities. The client shall be solely responsible for the trading decisions taken by the client. It shall be the responsibility of the client to make payments towards outstanding obligations and/ or applicable margins to SSPL in time irrespective of whether SSPL exercises its right to square off the positions of the client in accordance with the provisions given herein above.

Client shall be solely responsible for any resultant losses incurred due to selling of client's securities by SSPL or squaring off the client's open positions or for not doing so. All losses in this regard shall be borne by the CLIENT and SSPL shall be fully indemnified and held harmless by the CLIENT in this behalf.

The CLIENT accepts to comply with SSPL's requirement of payment of Margin/ settlement obligations immediately failing which SSPL may sell, dispose, transfer or deal in any other manner the securities already placed with it as Margin or square-off all or some of the outstanding F&O positions of the CLIENT as it deems fit at its sole discretion without further reference to the CLIENT and any resultant or associated losses that may occur due to such square-off/ sale shall be borne by the CLIENT and SSPL shall be fully indemnified and held harmless by the CLIENT in this behalf at all times

Physical delivery and cash settled contracts in segment - SSPL shall square off Cash settled contracts on the expiry day (subject to changes) and physically settled contracts before 5 working days of expiry date. For any reasons positions remains open, the client is liable for the delivery settlement positions including delivery of towards pay-in obligation, pay-in of funds and needs to make payment of required margin before the end of the day. SSPL shall not be hold responsible for any losses, brokerage, other charges, margin shortfall penalties etc.

- E. The mark to market loss is monitored against the margins available in the trading account. The Client's margins available is total of adjusted ledger balance + Holding value of pledge securities ure margin requirement on derivative segment + Receipt of funds during the day - payment of funds during the day. SSPL shall not be hold responsible for any delay, losses, brokerage, other charges, margin shortfall penalties etc.
 - a. The client is notified once mark to market loss reaches to 50%of the client net- worth available in trading account.
 - b. All open positions of all derivative segment and intraday products would be liquidated once mark to market loss reaches 80% of the client net-worth available in trading account or even earlier at the sole discretion of SSPL without due intimation to clients.

6. SHORTAGES IN OBLIGATION ARISING OUT OF INTERNAL NETTING OF TRADES FOR EQUITIES OR PHYSICAL SETTLEMENT OF EQUITY DERIVATIVE CONTRACT

In case the client defaults on its existing obligation which results in delivery shortage to the Exchange, the same shall be compulsory auctioned as per defined Exchange

procedures from time to time. However, in case the client defaults on its existing obligation and in the event the trade has been internally netted off at SSPL, there could be internal shortages and the same shall also be handled as per the process of auction specified by the Clearing Corporations ('CC'). Hence, it may be noted that with the implementation of the NCL Circular No. NCL/CMPT/63669 dated: Aug 30th, 2024 & ICCL Circular No. 20240902-8 dated: Sep 02nd, 2024, internal auction mechanism of clearing corporation will be used for handling internal Shortages.

SSPL shall not be responsible for losses to the Client on account of such shortages. Any losses to the client on this account shall be borne solely by the respective client.

7. CONDITIONS UNDER WHICH CLIENT MAY NOT BE ALLOWED TO TAKE FURTHER POSITIONS OR BROKER MAY CLOSE EXISTING POSITIONS OF CLIENT

In addition to the conditions as provided under the policy of right to sell securities and close out client's open position as detailed in point 5 above, SSPL shall have the right to refuse to execute trades/ allow the client to take further positions and/ or close out the existing positions of client under following circumstances:

- a. As a result of any Regulatory directive/ restriction;
- b. Non-receipt of funds/ securities and/ or bouncing of cheque received from the client towards the obligation's/ margin/ ledger balances;
- c. Due to technical reasons;
- d. securities breaching the limits specified by the Exchanges/ regulators from time to time
- e. In case of failure to meet margin including mark to market margins by the client;
- f. Any other conditions as may be specified by SSPL from time to time in view of market conditions, regulatory requirements, internal policies etc. and risk management system;
- g. Due to any force majeure event beyond the control of SSPL.

SSPL shall not be responsible for any loss incurred and the client shall indemnify SSPL in this regard.

8. TEMPORARILY SUSPENDING OR CLOSING OF CLIENT'S ACCOUNT AT THE CLIENT'S REQUEST

SSPL may suspend or close the trading account of the client pursuant to SEBI or any other Regulatory directive for such period as may be prescribed by the respective Regulator. SSPL may further at its sole discretion and with/without information to the CLIENT, prohibit or restrict or block the CLIENT's access to the use of the web site or related services and the CLIENT's ability to trade due to market conditions and other internal policies including policy with respect to prevention of money laundering.

Trades in the account of the client during the period of such temporary suspension shall not be permitted.

Notwithstanding any such suspension/ closure, all rights, liabilities and obligations of the parties arising out of or in respect of transactions entered into prior to such closure/ suspension shall continue to subsist and binding on the client.

In case the account has been temporarily suspended at the request of the client, the account shall be reactivated only on submission of a written request for reactivation by the client.

9. DEREGISTRATION OF A CLIENT

Deregistration of the client/ Termination shall be at the sole discretion of SSPL. SSPL may deregister the client if the client breaches the terms and conditions of the member-client agreement or provides any false information or declarations. Further SSPL may deregister the client if the client is suspected to be involved in any activities in violation of applicable Rules and Regulations. Further, the client may be deregistered due to any Regulatory directive, market conditions and other internal policies of SSPL including policy with respect to prevention of money laundering. Such deregistration/termination shall not affect the rights and liabilities of the parties in respect of the transactions executed before the date of such deregistration/termination.

10. TREATMENT OF INACTIVE ACCOUNTS

Pursuant to SEBI and Exchange directive, Trading and/or demat account will be considered as 'Inactive account' if the client has not operated the same for continuous period of 24 months. Such inactive account will be blocked for further transactions by the client The client has to make written request for reactivation of their account. During the blocked period if there are any debit / dues to Stockology Securities Private Limited in client's account, SSPL shall have the authority to liquidate the client's position to the required extent during the blocked period.

POLICY ON HANDLING OF GOOD TILL CANCELLED/GOOD TILL TRIGGERED /GOOD TILL DATE ORDERS OF CLIENTS

“Good till cancelled/Good till triggered/Good till date or any other similar type of order as offered by SSPL to its clients, means such orders which enables clients to place buying and selling orders by specifying the price and also time frame for which an order would remain valid for placing on the stock exchange platform. Such type of orders once placed by the client remains valid in our system till the time it is executed or cancelled by client on his own or on the expiry of time specified by client while placing such orders. Following policy governs the framework with regard to placement of such orders by clients:-

1. The order shall remain active in our system up to the period specified by client while placing order or up to 365 calendar days from the placement of order, whichever is lower, unless executed or cancelled by the client before expiration. After expiry of above period, such orders shall be automatically cancelled.
2. In the event of a corporate action declared by a corporate with regard to the scrip for which such order is placed by client, SSPL shall not modify/cancel such unexecuted orders on its own.
3. SSPL shall inform the clients on his registered email id at least one day prior to the ex-date of corporate action, regarding corporate action announced by corporates, in case client has any such unexecuted/pending order in our system.
4. On receipt of information about corporate action, clients are advised to review their unexecuted/pending orders in our system and take appropriate action such as cancellation/modification of unexecuted/pending orders subject to the conditions regarding margin/order placement rules as applicable.
5. Clients are advised that GTC/GTT/GTD/any other similar nature of orders. carry certain risks, including but not limited to the potential for execution at unexpected prices due to market movements or corporate actions. Clients are encouraged to regularly review and manage their open orders.
6. In case, client suffers any loss due to execution/non-execution of such orders, SSPL shall not be held responsible for the same.
7. There may be time to time updation in the policy, clients are advised to visit our website for updated policy details.

ACCOUNT FREEZING AND UNFREEZING POLICY

Introduction

In accordance with SEBI circular SEBI/HO/MIRSD/POD-1/P/CIR/2024/4 dated January 12, 2024, Stockology Securities Private Limited. provides clients with the option to voluntarily freeze/block their online access to trading accounts due to suspicious activities. This policy outlines the procedures for clients to freeze and subsequently unfreeze their trading accounts.

Scope of Policy

This policy applies to clients of Stockology Securities Private Limited who wish to freeze or unfreeze their trading accounts for any reason.

Procedure to Freeze Online Trading Account

Clients may request to freeze/block online access to their trading account through any of the following modes:

Call on customer Support number - 0731-4258021

EMAIL To Dedicated Email id: - grievance@stockologysecurities.com

Upon receiving such a request, the following actions will be taken:

Online access to the client's trading account will be frozen/blocked.

All pending orders, including 'Good till date' and Equity SIP orders, will be cancelled.

A confirmation communication will be sent to the client's registered mobile number and email address, stating that the online access has been frozen/blocked. This communication will include details of cancelled pending orders and instructions for re-enabling online access.

Details of open positions (if any) and contract expiry information will be communicated within one hour of freezing the account.

Clients will still be able to place orders through alternate channels such as call and trade after freezing, but online trading and profile modification options will be disabled.

Clients are advised to change their login PIN immediately after freezing the account for security reasons.

Process for Request for Un-freezing

To unfreeze the account, clients should follow these steps:

Send an email to unfreeze in mail Id - _grievance@stockologysecurities.com

Call on customer Support number - 0731-4258021

An email acknowledgment will be sent to the client confirming the unfreeze request and the activation date for online access.

Upon successful reactivation, clients will regain full access to place orders through the online platform.

Review of Policy

This policy will be reviewed periodically or as required, and at least annually, to ensure it remains compliant with regulatory requirements and meets the needs of our clients.

For further assistance or inquiries regarding account freezing and unfreezing processes, please contact our customer service at 0731-4258021 or email us at grievance@stockologysecurities.com.

Address: 111, Krishna Business Centre, PU-4, Vijay Nagar, Indore 452010, Madhya Pradesh, India.

Website: <https://www.stockologysecurities.com>

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

General Clause

1. The Beneficial Owner and the Depository participant (DP) shall be bound by the provisions of the Depositories Act, 1996, SEBI (Depositories and Participants) Regulations, 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 submitted to the DP at the time of opening the demat account or furnished to the DP from time to time.

Fees/Charges/Tariff

5. The Beneficial Owner shall pay such charges to the DP for the purpose of holding and transfer of securities in dematerialized form and for availing depository services as may be agreed to from time to time between the DP and the Beneficial Owner as set out in the Tariff Sheet provided by the DP. It may be informed to the Beneficial Owner that "no charges are payable for opening of demat account.
6. In case of Basic Services Demat Accounts, the DP shall adhere to the charge structure as laid down under the relevant SEBI and/or Depository circulars/directions/notifications issued from time to time.
7. The DP shall not increase any charges/tariff agreed upon unless it has given a notice in writing of not less than thirty days to the Beneficial Owner regarding the same.

Dematerialization

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

Separate Accounts

9. The DP shall open separate accounts in the name of each of the beneficial owners and securities of each beneficial owner shall be segregated and shall not be mixed up with the securities of other beneficial owners and/or DP's own securities held in dematerialized form.
10. The DP shall not facilitate the Beneficial Owner to create or permit any pledge and /or hypothecation or any other interest or encumbrance over all or any of such securities submitted for dematerialization and/or held in

demat account except in the form and manner prescribed in the Depositories Act, 1996, SEBI (Depositories and Participants) Regulations, 1996 and Bye-Laws/Operating Instructions/Business Rules of the Depositories.

Transfer of Securities

11. The DP shall effect transfer to and from the demat accounts of the Beneficial Owner only on the basis of an order, instruction, direction or mandate duly authorized by the Beneficial Owner and the DP shall maintain the original documents and the audit trail of such authorizations.
12. The Beneficial Owner reserves the right to give standing instructions with regard to the crediting of securities in his demat account and the DP shall act according to such instructions.

Statement of account

13. The 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.
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.
25. The Joint holders are aware that in case of any Statutory Order for freezing any one joint holder, the demat account will be frozen and the other joint holders will have to obtain a specific Order for unfreezing their percentage of joint ownership by submitting the relevant documentary proof to the Order issuing authority.

Redressal of Investor grievance

26. 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

27. 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

28. 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.

29. 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.
30. 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.
31. 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
32. 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.
33. 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.

MANAGING YOUR DEMAT ACCOUNT

SIMPLE DOs and DON'Ts

1. Verify your transaction statement carefully for all debits and credits in your account. In case of any unauthorized debit or credit, inform your DP or NSDL.
2. Intimate any change of address or change in bank account details to your DP immediately.
3. While accepting the Delivery Instruction Slip (DIS) book from your DP, ensure that your BO ID is pre-stamped on all the pages along with the serial numbers.
4. Keep your DIS book safely and do not sign or issue blank or incomplete DIS slips.
5. Strike out the empty space, if any, in the DIS, before submitting to DP.
6. For market transactions, submit the DIS ahead of the deadline time. DIS can be issued with a future execution date.
7. The demat account has a nomination facility and it is advisable to appoint a nominee to facilitate your heirs in obtaining the securities in your demat account, on completion of the necessary procedures.
8. To open and operate your demat account, copy of PAN card of all account holders is to be submitted to the DP along with original PAN card, for verification.
9. Register for SMS Alert facility. If any unauthorized debit is noticed, the BO should immediately inform NSDL and the Main DP, in writing. An email may be sent to at NSDL at relations@nsdl.co.in
10. Register NSDL's Internet based facility "speede" to monitor your demat account yourself. Contact your DP or visit NSDL's website www.nsdl.co.in for details.
11. In order to receive all the credits coming to your demat account automatically, you can give a one-time, standing instruction to your DP.
12. Before granting Power of Attorney to anyone, to operate your demat account, carefully examine the scope and implications of powers being granted.