

# **Front Cover Page**



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## Multigain Securities Services Pvt. Ltd.

### SEBI REGN NO.:DATE

NSE	Cash	INB231376634	___/___/___
NSE	F&O	INF231376634	___/___/___
NSE	CD	INE231376634	___/___/___
BSE	Cash	INB011376630	___/___/___
BSE	F&O	INF011376630	___/___/___
MCX-SX	CD	INE261330935	___/___/___
USE	CD	INE271376634	___/___/___

**Regd. Office :** H-50, Lajpat Nagar, Moradabad- 244001 (U.P.)

Phone: +91-0591-2490400/500, 6456733/744 Fax : +91-11-0591-2490400

E-mail : info@multigain.in • Website : www.multigain.in

**Corporate Office :** 402, Vishal Chambers, Sector-18, Noida-201301 (Delhi NCR)

Tel. : +91-0120 -2514383/3268383/84 Fax : +91-0120-2514383

### Compliance Officer's Details

Name : Phone No. : +91-11-  
E-mail Id :

### CEO's Details

Name : Phone No. : +91-11-  
E-mail Id :

For any grievance/dispute please contact Multigain Securities Services Pvt. Ltd. at the above address or email id- info@multigain.in and Phone no. 91-0591-2490400/500. In case not satisfied with the response, please contact the concerned exchange(s) at

Exchange Name	E-mail ID	Phone No.
National Stock Exchange of India Ltd.	ignse@nse.co.in	022-26598190
Bombay Stock Exchange Ltd.	is@bseindia.com	022-22728097
MCX Stock Exchange Ltd.	investorcomplaints@mcx-sx.com	022-67319000, 8933
United Stock Exchange Ltd.	investorcomplaints@useindia.com	022-42444932, 42444904

# KNOW YOUR CLIENT (KYC) APPLICATION FORM

ANNEXURE-2

Please fill this form in **ENGLISH** and in **BLOCK LETTERS**

**FOR INDIVIDUAL**

## A. IDENTITY DETAILS

Name of the Applicant

Father's/Spouse Name

Gender ☐ Male ☐ Female **Marital Status** ☐ Single ☐ Married

Date of Birth  -  -  **Nationality**

Status ☐ Resident Individual ☐ Non Resident ☐ Foreign National

PAN  Unique Identification Number (UID)/ Aadhaar, if any

Specify the proof of Identity submitted

Please affix  
your recent  
passport size  
photograph and  
sign across it

## B. ADDRESS DETAILS

Address for

Correspondence City/Town/Village  PIN Code

State  Country

Contact Detail Tel. (Office)  Tel. (Res.)  Mobile

Fax  E-mail Id

Specify the proof of address submitted for correspondence address

Permanent Address

(if different from above or overseas address, mandatory for Non-Resident Applicant) City/Town/Village  PIN Code

State  Country

Specify the proof of address submitted for permanent address

## C. OTHER DETAILS

**Gross Annual Income Details (please specify):**

Income Range per annum ☐ Below ₹ 1 Lac ☐ ₹ 1-5 Lac ☐ ₹ 5- 10 Lac ☐ ₹ 10-25 Lacs ☐ Above ₹ 25 Lacs

**OR** Net-worth as on  (Net worth should not be older than 1 year)

**Occupation** (please tick ☐ Private Sector ☐ Public Sector ☐ Government Service ☐ Business ☐ Professional

any one and give brief details) ☐ Agriculturist ☐ Retired ☐ Housewife ☐ Student ☐ Others

**Please tick, If applicable** ☐ Politically Exposed Person (PEP) ☐ Related to a Politically Exposed Person (PEP)

**Any Other Information**

## DECLARATION

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

Signature of the Applicant  Date

## FOR OFFICE USE ONLY

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

Date

Signature of the Authorised Signatory Seal/Stamp of the intermediary

## KNOW YOUR CLIENT (KYC) APPLICATION FORM

Please fill this form in **ENGLISH** and in **BLOCK LETTERS**

**FOR NON-INDIVIDUAL**

### A. IDENTITY DETAILS

Name of the Applicant

Date of incorporation  -  -  Place of Incorporation

Date of Commencement of Business  -  -

PAN  Registration No. (e.g. CIN)

Status (please tick any one)

- ☐ Private Limited Co.    ☐ Public Ltd. Co.    ☐ Body Corporate    ☐ Partnership    ☐ Trust    ☐ Charities    ☐ NGO's  
☐ FI    ☐ FII    ☐ HUF    ☐ Bank    ☐ Government Body    ☐ Non-Government Organization  
☐ Defense Establishment    ☐ BOI    ☐ Society    ☐ LLP    ☐ Others (please specify)

Please affix  
your recent  
passport size  
photograph and  
sign across it

### B. ADDRESS DETAILS

Address for

Correspondence City/Town/Village  PIN Code

State  Country

Contact Detail Tel. (Office)  Tel. (Res.)  Mobile

Fax  E-mail Id

Specify the proof of address submitted for Correspondence Address

Registered Address

(if different from above) City/Town/Village  PIN Code

State  Country

Specify the proof of address submitted for Registered Address

### C. OTHER DETAILS

Gross Annual Income Details (please specify):

Income Range per annum ☐ Below ₹ 1 Lac ☐ ₹ 1-5 Lac ☐ ₹ 5- 10 Lac ☐ ₹ 10-25 Lacs ☐ ₹ 25 Lacs - 1Crore ☐ Above ₹1 Crore

Net-worth as on  -  -  (\*Net worth should not be older than 1 year)

Name, PAN, residential address and photographs of Promoters/Partners/Karta/Trustees and whole time directors

Name (1)

PAN

Residential Address

City/Town/Village  PIN Code

State  Country

DIN / UID

Photographs of  
Promoters/Partners/  
Karta/Trustees and  
whole time  
directors

Please tick, if applicable, for any of your authorized signatories/Promoters/Partners/Karta/Trustees/whole time directors:

- ☐ Politically Exposed Person (PEP)    ☐ Related to a Politically Exposed Person (PEP)

Any Other Information

Name (2)   
PAN   
Residential Address   
City/Town/Village  PIN Code   
State  Country   
DIN / UID

Photographs of  
Promoters/Partners/  
Karta/Trustees and  
whole time  
directors

Please tick, if applicable, for any of your authorized signatories/Promoters/Partners/Karta/Trustees/whole time directors:

☐ Politically Exposed Person (PEP) ☐ Related to a Politically Exposed Person (PEP)

Any Other Information

Name (3)   
PAN   
Residential Address   
City/Town/Village  PIN Code   
State  Country   
DIN / UID

Photographs of  
Promoters/Partners/  
Karta/Trustees and  
whole time  
directors

Please tick, if applicable, for any of your authorized signatories/Promoters/Partners/Karta/Trustees/whole time directors:

☐ Politically Exposed Person (PEP) ☐ Related to a Politically Exposed Person (PEP)

Any Other Information

Name (4)   
PAN   
Residential Address   
City/Town/Village  PIN Code   
State  Country   
DIN / UID

Photographs of  
Promoters/Partners/  
Karta/Trustees and  
whole time  
directors

Please tick, if applicable, for any of your authorized signatories/Promoters/Partners/Karta/Trustees/whole time directors:


☐ Politically Exposed Person (PEP) ☐ Related to a Politically Exposed Person (PEP)

Any Other Information

#### DECLARATION

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

Name

Signature of the Authorised Signatory 

Date  -  -

#### FOR OFFICE USE ONLY

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

Date  -  -

Signature of the Authorised Signatory

Seal/Stamp of the intermediary

## INSTRUCTIONS/CHECK LIST FOR FILLING KYC FORM

### A. IMPORTANT POINTS

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

### B. Proof of Identity (POI)

List of documents admissible as Proof of Identity:

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

### C. Proof of Address (POA)

List of documents admissible as Proof of Address:

- (\*Documents having an expiry date should be valid on the date of submission.)
1. Passport/ Voters Identity Card/ Ration Card/ Registered

Lease or Sale Agreement of Residence/ Driving License/ Flat Maintenance bill/ Insurance Copy.

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

### D. Exemptions/clarifications to PAN

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

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

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

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



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

Type of Entity	Documentary Requirements
<b>Corporate</b>	<ul style="list-style-type: none"> <li>• Copy of the balance sheets for the last 2 financial years (to be submitted every year).</li> <li>• Copy of latest share holding pattern including list of all those holding control, either directly or indirectly, in the company in terms of SEBI takeover Regulations, duly certified by the company secretary/Whole time director/MD (to be submitted every year).</li> <li>• Photograph, POI, POA, PAN and DIN numbers of whole time directors/two directors in charge of day to day operations.</li> <li>• Photograph, POI, POA, PAN of individual promoters holding control - either directly or indirectly.</li> <li>• Copies of the Memorandum and Articles of Association and certificate of incorporation.</li> <li>• Copy of the Board Resolution for investment in securities market.</li> <li>• Authorised signatories list with specimen signatures.</li> </ul>
<b>Partnership Firm</b>	<ul style="list-style-type: none"> <li>• Copy of the balance sheets for the last 2 financial years (to be submitted every year).</li> <li>• Certificate of registration (for registered partnership firms only).</li> <li>• Copy of partnership deed.</li> <li>• Authorised signatories list with specimen signatures.</li> <li>• Photograph, POI, POA, PAN of Partners.</li> </ul>
<b>Trust</b>	<ul style="list-style-type: none"> <li>• Copy of the balance sheets for the last 2 financial years (to be submitted every year).</li> <li>• Certificate of registration (for registered trust only).</li> <li>• Copy of Trust deed.</li> <li>• List of trustees certified by managing trustees/CA.</li> <li>• Photograph, POI, POA, PAN of Trustees.</li> </ul>
<b>HUF</b>	<ul style="list-style-type: none"> <li>• PAN of HUF.</li> <li>• Deed of declaration of HUF/ List of coparceners.</li> <li>• Bank pass-book/bank statement in the name of HUF.</li> <li>• Photograph, POI, POA, PAN of Karta.</li> </ul>
<b>Unincorporated Association or a Body of Individuals</b>	<ul style="list-style-type: none"> <li>• Proof of Existence/Constitution document.</li> <li>• Resolution of the managing body &amp; Power of Attorney granted to transact business on its behalf.</li> <li>• Authorized signatories list with specimen signatures.</li> </ul>
<b>Banks/Institutional Investors</b>	<ul style="list-style-type: none"> <li>• Copy of the constitution/registration or annual report/balance sheet for the last 2 financial years.</li> <li>• Authorized signatories list with specimen signatures.</li> </ul>
<b>Foreign Institutional Investors (FII)</b>	<ul style="list-style-type: none"> <li>• Copy of SEBI registration certificate.</li> <li>• Authorized signatories list with specimen signatures.</li> </ul>
<b>Army/Government Bodies</b>	<ul style="list-style-type: none"> <li>• Self-certification on letterhead.</li> <li>• Authorized signatories list with specimen signatures.</li> </ul>
<b>Registered Society</b>	<ul style="list-style-type: none"> <li>• Copy of Registration Certificate under Societies Registration Act.</li> <li>• List of Managing Committee members.</li> <li>• Committee resolution for persons authorised to act as authorised signatories with specimen signatures.</li> <li>• True copy of Society Rules and Bye Laws certified by the Chairman/Secretary.</li> </ul>

## FOR INDIVIDUALS &amp; NON-INDIVIDUALS

## A. BANK ACCOUNT(S) DETAILS

Bank Name (1)	<input type="text"/>		
Branch Address	<input type="text"/>		
	City/Town/Village <input type="text"/>	PIN Code <input type="text"/>	
	State <input type="text"/>	Country <input type="text"/>	
Bank Account No.	<input type="text"/>		
Account Type	<input type="checkbox"/> Saving <input type="checkbox"/> Current <input type="checkbox"/> Others - In case of <input type="checkbox"/> NRI <input type="checkbox"/> NRE <input type="checkbox"/> NRO		
MICR Number	<input type="text"/>	IFSC Code <input type="text"/>	

Bank Name (2)	<input type="text"/>		
Branch Address	<input type="text"/>		
	City/Town/Village <input type="text"/>	PIN Code <input type="text"/>	
	State <input type="text"/>	Country <input type="text"/>	
Bank Account No.	<input type="text"/>		
Account Type	<input type="checkbox"/> Saving <input type="checkbox"/> Current <input type="checkbox"/> Others - In case of <input type="checkbox"/> NRI <input type="checkbox"/> NRE <input type="checkbox"/> NRO		
MICR Number	<input type="text"/>	IFSC Code <input type="text"/>	

## B. DEPOSITORY ACCOUNT(S) DETAILS

Depository Participant Name (1)	<input type="text"/>		
Depository Name	<input type="checkbox"/> NSDL    DP ID <input type="text"/> BO ID <input type="text"/> <input type="checkbox"/> CDSL    DP ID <input type="text"/> BO ID <input type="text"/>		
Beneficiary Name	<input type="text"/>		
Depository Participant Name (2)	<input type="text"/>		
Depository Name	<input type="checkbox"/> NSDL    DP ID <input type="text"/> BO ID <input type="text"/> <input type="checkbox"/> CDSL    DP ID <input type="text"/> BO ID <input type="text"/>		
Beneficiary Name	<input type="text"/>		

## C. TRADING PREFERENCES

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

Exchanges	Segments			
NSE	Cash <input type="checkbox"/>	F&O <input type="checkbox"/>	Currency <input type="checkbox"/>	
BSE	Cash <input type="checkbox"/>	F&O <input type="checkbox"/>	Currency <input type="checkbox"/>	
MCX-SX	Currency <input type="checkbox"/>			
USE	Currency <input type="checkbox"/>			
DSE	Cash <input type="checkbox"/>			

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

#### D. PAST ACTIONS

Details of any action/proceedings initiated/pending/ taken by SEBI/ Stock exchange/any other authority against the applicant/constituent or its Partners/promoters/whole time directors/authorized persons in charge of dealing in securities during the last 3 years :

1.
2.
3.

#### E. DEALINGS THROUGH SUB-BROKERS AND OTHER STOCK BROKERS

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

Sub-broker's Name  SEBI Regn. No.   
Registered Office Address   
City/Town/Village  PIN Code   
State  Country   
Phone  Fax  Website

◆ Whether dealing with any other stock broker/sub-broker (if case dealing with multiple stock brokers/sub-brokers, provide details of all)

Name of Stock Broker   
Name of Sub-broker (if any)   
Registered Office Address   
City/Town/Village  PIN Code   
State  Country   
Client Code  Exchange   
Details of disputes/dues pending from/to such stock broker/sub- broker

#### F. ADDITIONAL DETAILS

- ◆ Whether you wish to receive physical contract note or Electronic Contract Note (ECN) (please specify)  
☐ Physical Contract Note ☐ Electronic Contract Note  
Specify your Email id, if applicable
- ◆ Whether you wish to avail of the facility of internet trading/ wireless technology (please specify) ☐ Yes ☐ No
- ◆ Number of years of Investment/Trading Experience Years
- ◆ In case of non-individuals, name, designation, PAN, UID, signature, residential address and photographs of persons authorized to deal in securities on behalf of ☐ Company ☐ Firm ☐ Others
- ◆ Any other information

#### G. INTRODUCER DETAILS (optional)

Name of the Introducer

Status of the Introducer ☐ Sub-broker ☐ Remisier ☐ Authorized Person ☐ Existing Client ☐ Others, please specify

Address of Introducer   
City/Town/Village  PIN Code   
State  Country   
Phone No.   
Signature of the Introducer

## H. NOMINATION DETAILS (for Individuals only)

☐ I/We wish to nominate ☐ I/We do not wish to nominate

Name of the Nominee

Relationship with the Nominee

PAN of Nominee

Date of Birth of Nominee

Address of Nominee

City/Town/Village

PIN Code

State

Country

Phone No.

### If Nominee is a minor, details of guardian

Name of Guardian

Address of Guardian

City/Town/Village

PIN Code

State

Country

Phone No.

Signature of Guardian

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

#### 1st Witness

#### 2nd Witness

Name

Signature

Address

PIN Code

### DECLARATION

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

Place

Date



Signature of Client/ (all) Authorized Signatory (ies)

FOR OFFICE USE ONLY

UCC Code allotted to the Client | | | | | | | | | |

	Documents verified with Originals	Client Interviewed By	In-Person Verification done by
Name of the Employee	<input type="text"/>	<input type="text"/>	<input type="text"/>
Employee Code	<input type="text"/>	<input type="text"/>	<input type="text"/>
Designation of the Employee	<input type="text"/>	<input type="text"/>	<input type="text"/>
Date	<input type="text"/>	<input type="text"/>	<input type="text"/>
Signature	<input type="text"/>	<input type="text"/>	<input type="text"/>

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

Signature of the Authorised Signatory \_\_\_\_\_ Seal/Stamp of the stock broker \_\_\_\_\_

Date \_\_\_\_ - \_\_\_\_ - \_\_\_\_

## INSTRUCTIONS/ CHECK LIST

1. Additional documents in case of trading in derivatives segments - illustrative list:
  - Copy of ITR Acknowledgement
  - In case of salary income - Salary Slip, Copy of Form 16
  - Copy of demat account holding statement.
  - Any other relevant documents substantiating ownership of assets.
  - Copy of Annual Accounts
  - Net worth certificate
  - Bank account statement for last 6 months
  - Self declaration with relevant supporting documents.
- \*In respect of other clients, documents as per risk management policy of the stock broker need to be provided by the client from time to time.
2. Copy of cancelled cheque leaf/ pass book/bank statement specifying name of the constituent, MICR Code or/and IFSC Code of the bank should be submitted.
3. Demat master or recent holding statement issued by DP bearing name of the client.
4. **For Individuals**
  - a. Stock broker has an option of doing 'in-person' verification through web camera at the branch office of the stock broker/sub-broker's office.
  - b. In case of non-resident clients, employees at the stock broker's local office, overseas can do in-person' verification. Further, considering the infeasibility of carrying out 'In-person' verification of the non-resident clients by the stock broker's staff, attestation of KYC documents by Notary Public, Court, Magistrate, Judge, Local Banker, Indian Embassy / Consulate General in the country where the client resides may be permitted.
5. **For Non-Individuals**
  - a. Form need to be initialized by all the authorized signatories.
  - b. Copy of Board Resolution or declaration (on the letterhead) naming the persons authorized to deal in securities on behalf of company/firm/others and their specimen signatures.

*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.

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

37. In case, client opts to receive the contract note in electronic form, he shall provide an appropriate e-mail id to the stock broker. The client shall communicate to the stock broker any change in the email-id through a physical letter. If the client has opted for internet trading, the request for change of email id may be made through the secured access by way of client specific user id and password.
38. The stock broker shall ensure that all ECNs sent through the e-mail shall be digitally signed, encrypted, non-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.
39. The client shall note that non-receipt of bounced mail notification by the stock broker shall amount to delivery of the contract note at the e-mail ID of the client.
40. The stock broker shall retain ECN and acknowledgement of the e-mail in a soft and non-tamperable form in the manner prescribed by the exchange in compliance with the provisions of the IT Act, 2000 and as per the extant rules/regulations/ circulars/guidelines issued by SEBI/Stock Exchanges from time to time. The proof of delivery i.e., log report generated by the system at the time of sending the contract notes shall be maintained by the stock broker for the specified period under the extant regulations of SEBI/stock exchanges. The log report shall provide the details of the contract notes that are not delivered to the client/e-mails

rejected or bounced back. The stock broker shall take all possible steps to ensure receipt of notification of bounced mails by him at all times within the stipulated time period under the extant regulations of SEBI/stock exchanges.

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

#### **LAW AND JURISDICTION**

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



## 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.

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.



## BEFORE YOU BEGIN TO TRADE

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

## 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.

**1. Refusal of orders for penny / illiquid stock**

The trading member may from time to time limit (quantity/ value) / refuse orders in one or more securities due to various reasons including market liquidity, value of security(ies), the order being for securities which are not in the permitted list of the trading member / exchange(s) / SEBI. Provided further that trading member may require compulsory settlement / advance payment of expected settlement value/ delivery of securities for settlement prior to acceptance / placement of order(s) as well. The client agrees that the losses, if any on account of such refusal or due to delay caused by such limits, shall be borne exclusively by the client alone.

The trading member may require reconfirmation of orders, which are larger than that specified by the trading member's risk management, and is also aware that the trading member has the discretion to reject the execution of such orders based on its risk perception.

**2. Setting up client's exposure limits and conditions under which a client may not be allowed to take further position or the broker may close the existing position of a client**

The trading member may from time to time impose and vary limits on the orders that the client can place through the trading member's trading system (including exposure limits, turnover limits, limits as to the number, value and/or kind of securities in respect of which orders can be placed etc.). The client is aware and agrees that the trading member may need to vary or reduce the limits or impose new limits urgently on the basis of the trading member's risk perception and other factors considered relevant by the stock broker including but not limited to limits on account of exchange/ SEBI directions/limits (such as broker level/ market level limits in security specific / volume specific exposures etc.), and the trading member may be unable to inform the client of such variation, reduction or imposition in advance. The client agrees that the trading member shall not be responsible for such variation, reduction or imposition or the client's inability to route any order through the trading member's trading system on account of any such variation, reduction or imposition of limits. The client further agrees that the trading member may at any time, at its sole discretion and without prior notice, prohibit or restrict the client's ability to place orders or trade in securities through the trading member, or it may subject any order placed by the client to a review before its entry into the trading systems and may refuse to execute / allow execution of orders due to but not limited to the reason of lack of margin / securities or the order being outside the limits set by trading member / exchange/ SEBI and any other reasons which the trading member may deem appropriate in

the circumstances. The client agrees that the losses, if any on account of such refusal or due to delay caused by such review, shall be borne exclusively by the client alone.

The trading member is required only to communicate / advise the parameters for the calculation of the margin / security requirements as rate(s) / percentage(s) of the dealings, through anyone or more means or methods such as post / speed post / courier / registered post / registered AD / facsimile / telegram / cable / e-mail / voice mails / telephone (telephone includes such devices as mobile phones etc.) including SMS on the mobile phone or any other similar device; by messaging on the computer screen of the client's computer; by informing the client through employees / agents of the trading member; by publishing / displaying it on the website of the trading member / making it available as a download from the website of the trading member; by displaying it on the notice board of the branch / office through which the client trades or if the circumstances, so require, by radio broadcast / television broadcast / newspapers advertisements etc; or any other suitable or applicable mode or manner. The client agrees that the postal department / the courier company / newspaper company and the e-mail / voice mail service provider and such other service providers shall be the agent of the client and the delivery shall be complete when communication is given to the postal department / the courier company / the e-mail / voice mail service provider, etc. by the trading member and the client agrees never to challenge the same on any grounds including delayed receipt / non receipt or any other reasons whatsoever and once parameters for margin / security requirements are so communicated, the client shall monitor his / her / its position (dealings / trades and valuation of security) on his / her / its own and provide the required / deficit margin / security forthwith as required from time to time whether or not any margin call or such other separate communication to that effect is sent by the trading member to the client and / or whether or not such communication is received by the client.

The client is not entitled to trade without adequate margin / security and that it shall be his / her / its responsibility to ascertain beforehand the margin / security requirements for his / her / its orders / trades / deals and to ensure that the required margin / security is made available to the trading member in such form and manner as may be required by the trading member. If the client's order is executed despite a shortfall in the available margin, the client, shall, whether or not the trading member intimates such shortfall in the margin to the client, make up the shortfall suo moto immediately. The client further agrees that he /she /it shall be responsible for all orders (including any orders that may be executed without the required margin in the client's account) & / or any

claim / loss/ damage arising out of the non availability /shortage of margin /security required by the trading member & /or exchange & /or SEBI.

The trading member is entitled to vary the form (i.e., the replacement of the margin / security in one form with the margin / security in any other form, say, in the form of money instead of shares) & / or quantum & / or percentage of the margin & / or security required to be deposited / made available, from time to time.

The margin / security deposited by the client with the trading member are not eligible for any interest.

The trading member is entitled to include / appropriate any / all payout of funds & / or securities towards margin / security without requiring specific authorizations for each payout.

The trading member is entitled to transfer funds & / or securities from his account for one exchange & / or one segment of the exchange to his / her / its account for another exchange & / or another segment of the same exchange whenever applicable and found necessary by the trading member. The client also agrees and authorises the trading member to treat / adjust his / her / its margin / security lying in one exchange & / or one segment of the exchange / towards the margin / security / pay in requirements of another exchange & / or another segment of the exchange.

The trading member is entitled to disable / freeze the account & / or trading facility / any other service facility, if, in the opinion of the trading member, the client has committed a crime / fraud or has acted in contradiction of this agreement or / is likely to evade / violate any laws, rules, regulations, directions of a lawful authority whether Indian or foreign or if the trading member so apprehends.

### **3. Applicable brokerage rate**

The trading member is entitled to charge brokerage within the limits imposed by exchange/Sebi.

### **4. Imposition of penalty / delayed payment charges**

The clients will be liable to pay late pay in/delayed payment charges for non making payment of their payin/margin obligation on time as per the exchange requirement /schedule at the rate upto 2% per month.

The client agrees that the trading member may impose fines / penalties for any orders / trades / deals / actions of the client which are contrary to this agreement / rules / regulations / bye laws of the exchange or any other law for the time being in force, at such rates and in such form as it may deem fit. Further where the trading member has to pay any fine or bear any punishment from any authority in connection with / as a consequence of / in relation to any of the orders / trades / deals / actions of the client, the same shall be borne by the client.

The client agrees to pay to the trading member brokerage, commission, fees, all taxes, duties, levies imposed by any

authority including but not limited to the stock exchanges (including any amount due on account of reassessment / backlogs etc.), transaction expenses, incidental expenses such as postage, courier etc. as they apply from time to time to the client's account / transactions / services that the client avails from the trading member.

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

Without prejudice to the trading member other right (Including the right to refer the matter to arbitration), the trading member shall be entitled to liquidate/close out all or any of the clients position without giving notice to the client for non payment of margins or other amounts including the pay in obligation, outstanding debts etc and adjust the proceeds of such liquidation/close out, if any, against the clients liabilities/obligations.

The trading member maintains centralized banking and securities handling processes and related banking and depository accounts at designated place. The client shall ensure timely availability of funds/securities in designated form and manner at designated time and in designated bank and depository account(s) at designated place, for meeting his/her/its pay in obligation of funds and securities. The trading member shall not be responsible for any claim/loss/damage arising out of non availability/short availability of funds/securities by the client in the designated account(s) of the trading member for meeting the pay in obligation of either funds or securities. If the client gives orders / trades in the anticipation of the required securities being available subsequently for pay in through anticipated payout from the exchange or through borrowings or any off market delivery(s) or market delivery(s) and if such anticipated availability does not materialize in actual availability of securities / funds for pay in for any reason whatsoever including but not limited to any delays / shortages at the exchange or trading member level/non release of margin by the trading member etc., the losses which may occur to the client as a consequence of such shortages in any manner such as on account of auctions / square off / closing outs etc., shall be solely to the account of the client and the client agrees not to hold the trading member responsible for the same in any form or manner whatsoever. In cases of securities lying in margin account/client beneficiary account and having corporate actions like Bonus, Stock split, Right issue etc, for margin or other purpose the benefit of shares due to received under Bonus, Stock split, Right issue etc will be given when the shares is actually received in the trading member designated demat account.

In case the payment of the margin / security is made by the client through a bank instrument, the trading member shall be at liberty to give the benefit / credit for the same only on



the realization of the funds from the said bank instrument etc. at the absolute discretion of the trading member.

Where the margin / security is made available by way of securities or any other property, the trading member is empowered to decline its acceptance as margin / security & / or to accept it at such reduced value as the trading member may deem fit by applying haircuts or by valuing it by marking it to market or by any other method as the trading member may deem fit in its absolute discretion.

The trading member has the right but not the obligation, to cancel all pending orders and to sell/closeliquidate all open positions/ securities/ shares at the pre-defined square off time or when Mark to Market (M-T-M) percentage reaches or crosses stipulated margin percentage mentioned on the website, whichever is earlier. The trading member will have sole discretion to decide referred stipulated margin percentage depending upon the market condition. In the event of such square off, the client agrees to bear all the losses based on actual executed prices. In case open position (i.e. short/long) gets converted into delivery due to non square off because of any reason whatsoever, the client agrees to provide securities/funds to fulfill the payin obligation failing which the client will have to face auctions or internal close outs; in addition to this the client will have to pay penalties and charges levied by exchange in actual and losses, if any. Without prejudice to the foregoing, the client shall also be solely liable for all and any penalties and charges, levied by the exchange(s).

The trading member is entitled to prescribe the date and time by which the margin / security is to be made available and the trading member may refuse to accept any payments in any form after such deadline for margin / security expires.

Notwithstanding anything to the contrary in the agreement or elsewhere, if the client fails to maintain or provide the required margin/fund/security or to meet the funds/margins/ securities pay in obligations for the orders / trades / deals of the client within the prescribed time and form, the trading member shall have the right without any further notice or communication to the client to take any one or more of the following steps:

- (i) To withhold any payout of funds / securities.
- (ii) To withhold / disable the trading / dealing facility to the client.
- (iii) To liquidate one or more security(s) of the client by selling the same in such manner and at such rate which the trading member may deem fit in its absolute discretion. It is agreed and understood by the client that securities here includes securities which are pending delivery / receipt.
- (iv) To liquidate / square off partially or fully the position of sale & / or purchase in anyone or more securities / contracts in such manner and at such rate which the

trading member may decide in its absolute discretion.

- (v) To take any other steps which in the given circumstances, the trading member may deem fit.

The client agrees that the loss(s) if any, on account of anyone or more steps as enumerated herein above being taken by the trading member, shall be borne exclusively by the client alone and agrees not to question the reasonableness, requirements, timing, manner, form, pricing etc., which are chosen by the trading member.

## **6. Shortages in obligations arising out of internal netting of trades**

Trading member shall not be obliged to deliver any securities or pay any money to the client unless and until the same has been received by the trading member from the exchange, the clearing corporation/clearing house or other company or entity liable to make the payment and the client has fulfilled his / her / its obligations first.

The policy and procedure for settlement of shortages in obligations arising out of internal netting of trades is as under:

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

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

The trading member has margin based RMS system. Client may take exposure upto the amount of margin available with broker.

Client may not be allowed to take position in case of non-availability/shortage of margin as per RMS policy of the broker. The existing position of the client is also liable to square off/close out without giving notice due to shortage of

margin/ non making of payment for their payin obligation/outstanding debts.

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

- (i) The client may request the trading member to temporarily suspend his account, trading member may do so subject to client accepting / adhering to conditions imposed by trading member including but not limited to settlement of account and/ or other obligation. Same can be activated on the written request of the client only. During the period client account is suspended, the market transaction in the client account will be prohibited. However client shares/ledger balance settlement can take place.
- (ii) The trading member can with hold the payouts of client and suspend his trading account due to his surveillance action or judicial or / and regulatory order/action requiring client suspension.

**9. De-registering a client**

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

- (i) If the action of the Client are prima facie illegal/ improper or such as to manipulate the price of any securities or disturb the normal/ proper functioning of the market, either alone or in conjunction with others.
- (ii) If there is any commencement of a legal process against the Client under any law in force;
- (iii) On the death/lunacy or other disability of the Client;
- (iv) If a receiver, administrator or liquidator has been appointed or allowed to be appointed of all or any part of the undertaking of the Client;
- (v) If the Client has voluntarily or compulsorily become the subject of proceedings under any bankruptcy or insolvency law or being a company, goes into liquidation or has a receiver appointed in respect of its assets or refers itself to the Board for Industrial and Financial Reconstruction or under any other law providing protection as a relief undertaking;
- (vi) If the Client being a partnership firm, has any steps taken by the Client and/ or its partners for dissolution of the partnership;
- (vii) If the Client have taken or suffered to be taken any action for its reorganization, liquidation or dissolution;\
- (viii) If the Client has made any material misrepresentation of facts, including (without limitation) in relation to the Security;
- (ix) If there is reasonable apprehension that the Client is unable to pay its debts or the Client has admitted its inability to pay its debts, as they become payable;

(x) If the Client suffers any adverse material change in his / her / its financial position or defaults in any other agreement with the trading member;

(xi) If the Client is in breach of any term, condition or covenant of this Agreement;

(xii) If any covenant or warranty of the Client is incorrect or untrue in any material respect;

However notwithstanding any termination of the agreement, all transactions made under / pursuant to this agreement shall be subject to all the terms and conditions of this agreement and parties to this agreement submit to exclusive jurisdiction of courts of law at the place of execution of this agreement by trading member. Trading in Exchange is in Electronic Mode, based on VSAT, leased line, ISDN, Modem and VPN, combination of technologies and computer systems to place and route orders. The client understands that there exists a possibility of communication failure or system problems or slow or delayed response from system or trading halt or any break down in the broker's back office/ front end system, or any such other problems/glitch whereby not being able to establish access to the trading system/network, which may be beyond the broker's control and may result in delay in processing or not processing buy or sell Orders either in part or in full. The client shall be fully liable and responsible for any such problem/fault.

**10. Client Acceptance of Policies and Procedures stated hereinabove:**

I/We have fully understood the same and do hereby sign the same and agree not to call into question the validity, enforceability .and applicability of any provision/clauses this document any circumstances what so ever. These Policies and Procedures may be amended / changed unilaterally by the broker, provided the change is informed to me / us with through anyone or more means or methods such as post / speed post / courier / registered post / registered A.D / facsimile / telegram / cable / e-mail/ voice mails / telephone (telephone includes such devices as mobile phones etc.) including SMS on the mobile phone or any other similar device; by messaging on the computer screen of the client's computer; by informing the client through employees / agents of the trading member; by publishing / displaying it on the website of the trading member / making it available as a download from the website of the trading member; by displaying it on the notice board of the branch / office through which the client trades or if the circumstances, so require, by radio broadcast / television broadcast / newspapers advertisements etc; or any other suitable or applicable mode or manner. I/we agree that the postal department / the courier company /newspaper company and the e-mail/ voice mail service provider and such other service providers shall be my/our agent and the delivery shall be complete when communication is given to the postal department / the courier company / the e-mail/voicemail service provider, etc.

by the trading member and I/we agree never to challenge the same on any grounds including delayed receipt / non receipt or any other reasons whatsoever. These Policies and Procedures shall always be read along with the agreement and shall be compulsorily referred to while deciding any dispute / difference or claim between me/ us and trading member before any court of law / judicial / adjudicating authority including arbitrator / mediator etc.

#### 11. Proprietary Trading

The trading member (Multigain Securities Services Pvt Ltd), hereby informs and declares to the client that, in addition to the client level trading, the trading member, undertakes proprietary trading.

#### 12. Mode of Payment to and from the Clients

(a) Trading member doesn't deal with its client vis-a-vis their trading by way of cash, accordingly all payments are made or received by them only through banking channels, further the client must make payment to the

trading member from his designated (as mentioned in the KYC) bank account only.

(b) Trading member does not deal with its client vis-a-vis their by way of third party cheques. According, if any payment is made otherwise, then it is not credited to the client account and is held in suspense account.

13. Trading Member does not deal with its client vis-à-vis their by way of third party shares, Accordingly, If any shares is transfer otherwise, then it is not credited to the client account and is held in suspense account or rejected to accept.

### BROKERAGE STRUCTURE

#### OPTION - 1

National Stock Exchange	Percentage	Minimum
Jobbing / Inter settlement		
Delivery		
Future		
Option (on premium)		
		Per Lot
Currency		
MFSS		
MCX Stock Exchange		
Currency		

#### OPTION - 2 (Per Lot)

National Stock Exchange	Rs.
Future	
Option	
Currency	
MCX Stock Exchange	
Currency	



**Multiplying Your Money - Ethically**

**NON-MANDATORY  
DOCUMENTS**



**Multiplying Your Money - Ethically**

## CONTRACT BETWEEN STOCK BROKER & CLIENT

This Contract (hereinafter referred to as Contract) is made and executed at ..... on this.....day of.....,20..... between M/s. Multigain Securities Services Pvt. Ltd. a body corporate, incorporated under the provisions of the Companies Act, 1956, being a member of the National Stock Exchange of India Ltd., Bombay Stock Exchange Ltd., MCX Stock Exchange Ltd., United Stock Exchange of India Ltd., and having its registered office at H-50, Lajpat Nagar, Moradabad- 244001 (U.P.) (INDIA) and having its corporate office at 402, Vishal Chambers, Sector-18, Noida-201301 (Delhi NCR) (INDIA) (hereinafter called Multigain /The Stock Broker) which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include its successors and assigns, as the case may be, of the one part;

And

Mr./Ms..... an Individual/a Sole Proprietary concern/a Partnership Firm/a HUF/a Body Corporate or any other legal entity registered/ incorporated under the provisions of the relevant act, whose particulars are given hereunder at the execution page (hereinafter called "the Client") and having his/its office/registered office at..... which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include his/her heirs, executors, administrators and legal representatives/the partners for the time being of the said firm, the survivor or survivors of them, the member or members for the time being of the Hindu Undivided Family (HUF) and their respective heirs, executors, administrators and legal representatives/its successors, as the case may be, of the other part;

Multigain and Client are referred to hereinafter individually as a Party and collectively as Parties.

Whereas:

- A. Client desirous of availing services/ facilities available with Multigain had entered into agreement(s) with Multigain .
- B. The Client finds that it is necessary to enter into this "Contract" to bring out clearly the scope of services to be rendered by Multigain and responsibilities of Client and Multigain respectively.
- C. Multigain and Client enter into this "Contract" to reduce to writing the understanding between Client and Multigain agreeing to be bound by the terms and conditions as given hereunder in consideration of the mutual covenants contained herein and other good considerations sufficiency of which is hereby acknowledged by Multigain as well as Client.

Now, in view of the foregoing

In this "Contract", unless the context otherwise requires:

- a) Words denoting the singular number shall include the plural vice versa;
  - b) The pronouns "he", "she", "it" and their cognate variations are used as inter changeable and should be interpreted in accordance with the context;
  - c) Words denoting a person shall include an individual, corporation, company, partnership, trust or other entity; provided however that clauses specifically applicable to a company or body corporate shall not apply to any other entity;
  - d) References to the word "include" or "including" shall be construed without limitation;
  - e) Reference to any party to this "Contract" or any other agreement or deed or other instrument shall include its successors or permitted assigns;
  - (f) References to recitals and clauses shall be deemed to be a reference to the recitals and clauses of this "Contract";
  - g) References to any enactment shall be construed as referring also to any amendment or re-enactment thereof and to any rule, bye-law, regulation, business requirement, specification, order, notification, circular or other provision made under it.
  - h) Security/ Securities shall unless repugnant to the context herein shall have the meaning assigned to these terms in the Securities Contracts (Regulation) Act, 1956 as amended and in force at the relevant time.
1. The Client assures Multigain that he / she / it is eligible to enter into this "Contract" under the applicable laws. The Client shall continuously monitor his / her / its eligibility to act under the applicable laws including but not limited to Securities and Exchange Board of India (SEBI) Act and Regulations framed thereunder such as insider trading etc. Foreign Exchange Management Act (FEMA) and Regulations thereunder, Income Tax Act and any other act/law / rules and regulations in force. If at any time this assurance ceases to be applicable, Client shall refrain from dealing with Multigain forthwith.
  2. The Client hereby acknowledges that he/she/it is aware that there exist certain regulations/ restrictions etc. under Foreign Exchange Management Act and / or issued by Reserve Bank of India (RBI) regarding investment by foreign entities/persons including non resident Indians (NRIs). The Client hereby agrees to be solely responsible to make investments only as per applicable limits/ regulations in



force from time to time.

3. The Client agrees to keep himself/ herself/ itself updated regarding the changes in the rules, regulations, bye laws of the stock exchange(s) & / or guidelines issued by SEBI and/or the requirements/procedures of Multigain. The Client agrees that he/she/it shall keep a track of any & all such changes by logging on to the respective websites of the exchange(s) ([www.nseindia.com](http://www.nseindia.com); [www.bseindia.com](http://www.bseindia.com); [www.mcx-sx.com](http://www.mcx-sx.com); [www.useindia.com](http://www.useindia.com)) or SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) or Multigain Securities Services Pvt. Ltd. ([www.multigain.in](http://www.multigain.in)).
4. The Client shall ensure that he/she/it shall not deal through Multigain on the stock exchange of which he/she/it is registered as a broker or a sub broker through any broker other than Multigain except with the permission of exchange.
5. The Client agrees to ensure that he / she / it shall not act as a sub-broker / intermediary without getting registered under the provision of law in force.
6. Client understands and agrees that the relationship being established between Multigain and Client whether under the agreement(s) already entered between Multigain and Client or under this "Contract" is that Client shall be the principal and Multigain shall be an agent to Client in the capacity of a broker. The Client shall from time to time place orders verbally (himself or acting through attorney/ authorized person). The verbal orders can be placed over phone/ mobile phone and/or by visiting the branch to which the Client has been assigned/ attached by Multigain. The order(s) shall be placed by Client only to designated / authorized dealer of Multigain and to no one else. The order(s) given by the Client shall, provided same are received within market hours, with details necessary to punch the same in trading system, subject to availability of margin and/or trading limits be punched in the trading system. The Client agrees that it shall be sole responsibility of the Client to ascertain the status / results / trade of any orders given by him / her / it. The Client also understands and agrees that the word "orders" includes the cancellation and modification orders as well.
7. "The Client" also acknowledges that "the Stock Broker"'s employees / agents (whether dealer, relationship manger, sub broker or authorized person) are not authorized to give any assurances as regards returns / outcome of trading and / or providing any type of discretionary services for trading etc. and "The Client agrees not to solicit or rely upon any advice from "the Stock Broker"'s employees / agent. It is agreed and accepted by "the client" that in the event any such advise / discretionary management services are accepted by "the client" from any employee/ agent (including sub broker/ authorized person) of the "Stock Broker", the same shall be unequivocally a personal, private arrangement between such person and "the Client" and "the Stock Broker" shall have no liability towards "the Client" for outcome including the losses if any on account of such discretionary or similar services accepted "by the Client" in contravention of these explicit written terms between "the Stock Broker" and "the Client".
8. The Client agrees that mere entering into this "Contract" or any other agreement, does not entitle the Client to any service(s)/ facility (ies) from Multigain as a matter of right and Multigain may in its absolute discretion provide or decide not to provide the anyone or more service( s) / facility(ies).
9. The Client further accepts and acknowledges that he would observe proper caution and due diligence while giving orders to the dealers / entering orders into trading platform provided by Multigain. The client further agrees that he would not indulge in any trading activity resulting in the disturbance of the market equilibrium including manipulation of the price of any scrips / contracts, synchronized deals with any person or any kind of orders / trades which may be considered as inappropriate/ unacceptable by Multigain/ the relevant exchange(s)/ regulator(s). The Client acknowledges that Multigain reserves the right to keep in abeyance the funds / securities as may be deemed fit by Multigain depending upon the gravity of the violation or/and through trades done by/on behalf of the Client considered as inappropriate / unacceptable by Multigain / the relevant exchange(s) / regulator(s). The client further understands and accepts that Multigain also reserves the right to levy any penalty for such trades done by / on behalf of the Client considered as inappropriate / unacceptable by Multigain / the relevant exchange(s) / regulator(s), as may be deemed fit by Multigain / the relevant exchange( s) / regulator(s).
10. If the Client is enabled to access the trading system of Multigain directly say through internet then Client is authorized to place orders directly as well. The Client agrees that any communication of orders in any form or manner whatsoever to Multigain or by entering orders into a facility provided by Multigain such as internet etc. neither implies order's(s)' acceptance nor assures a trade from such order(s) and the Client is also aware that any deliveries of securities / payout of monies on account of trades is subject to settlement process being successful particularly for trades which are matched within the clients of Multigain and the Client hereby agrees not to hold Multigain responsible in any manner whatsoever for any delay in settlement which are beyond reasonable control of Multigain.
11. The Client agrees and acknowledges that Multigain shall not be liable to provide him with any legal, tax, investment or



accounting advice or advice regarding the suitability or profitability of a security or investment and as such all investment and disinvestment decisions are based on the Client's own evaluation of financial circumstances and investment objectives. This extends to any decision made by the Client on the basis of any information that may be made available by Multigain including that on the website/trading platform/through SMS etc. The Client will not hold nor seek to hold Multigain or any of its officers, directors, employees, agents, subsidiaries, affiliates or business associates liable for any trading losses or other losses, costs or damage incurred by the Client consequent upon relying on information, research opinions or advice or any other information whatsoever including that on the website whether put up by Multigain or any other agency. The Multigain does not represent and shall not be deemed to have represented, that the investment information is accurate or complete. The Client is aware that any information based on the research of Multigain or other external sources is merely an estimation of the viability or otherwise of certain investments, and Multigain shall not be deemed to have assumed any responsibility for such information. The Client should seek independent professional advice regarding the suitability of any investment decision. The Client also acknowledges that Multigain's employees/ agents are not authorized to give any such advice and that the Client will not solicit or rely upon any such advice from Multigain or any of its employees / agents.

12. The Client agrees and acknowledges that trading over telecom networks involves many uncertain factors and complex hardware, software, systems, communication lines, peripherals, etc. which are susceptible to interruptions, malfunctioning and dislocations etc. Multigain does not make any representation or warranty about uninterrupted trading facility and as such, under no circumstances shall Multigain or anyone involved in creating, producing, delivering or managing Multigain's services be liable for any direct, incidental, special or consequential damages that may result from the use of or inability to use the service, delay in transmission of any communication, in any case for any reason whatsoever (including on account of breakdown in systems) or due to any fraud committed by any person whether in the employment of Multigain or otherwise.
13. The Client agrees that Multigain does not guarantee and shall not be deemed to have guaranteed the timeliness, sequence, accuracy, completeness, reliability or content of the market information or messages disseminated to the Client. The Multigain shall not be liable for any inaccuracy, error or delay in, or omissions of any such data, information or messages, due either to any act or omission by Multigain

or to any "force majeure" event (e.g. Flood, extraordinary weather condition, earthquake or any other act of god, fire, war, insurrection, riot, labour dispute, accident, action of government, communication, power failure, shut down of the systems for any reason (including on account of computer viruses), equipment or software malfunction); any fraud committed by any person whether in the employment of Multigain or otherwise or any other cause which is beyond the reasonable control of Multigain.

14. The Client hereby authorizes Multigain to take all such steps on the Client's behalf as may be required or advisable in Multigain's opinion for compliance with the exchange provisions or any other law or provisions or to complete or settle any transactions entered into through or with Multigain or executed by Multigain on behalf of the Client. However, nothing contained herein shall oblige Multigain to take such steps.
15. The Multigain / service provider may require the Client to use such security measures as deemed fit including but not limited to security codes / passwords / customer user identification number / telephone personal identification number (t-pin) / digital signatures / smart cards etc. hereinafter collectively referred to as "security protocols", before accepting any orders & / or for permitting access to the systems / services / facilities made available by Multigain / service provider. The Client agrees to change, wherever possible, such "security protocols" immediately on their receipt and periodically thereafter also. It shall be the responsibility of the Client using any online trading platform provided by Multigain to completely log out rather than close/exit the browser/trading application window, Multigain shall not be responsible or liable for any unauthorized trade and/or leakage/hacking of the Client's personal details and/or financial information available on the trading platform should the Client be negligent in adhering to the same. The Client agrees, accepts and undertakes the sole responsibility for the usage, confidentiality, protection and secrecy of all such "security protocols". The Client unconditionally agrees that he / she / it shall be solely responsible for any / all uses of "security protocols" whether for accessing data / information or for giving orders / dealings. The Client agrees to bear any losses / damages which may be caused by any use of or non use of "security protocols" and it shall be no defence that such access to data / information & / or the orders / deals were made through unauthorized use of "security protocols" by any person by whatever means including hacking, theft, forgery / electronic forgery or any other mode or manner. Notwithstanding anything stated hereinabove, on coming to know of any unauthorized access / use of any "security protocols", it shall be the duty of the Client to take all necessary steps including but not limited to informing Multigain in writing with full

details of the same and ensuring that such breach, loss of passwords / security protocols and / or confidentiality are immediately stopped. Multigain reserves right to suspend the client account/reject the orders in case of any misuse identified / wrong credential provided / any doubt on the person / manner providing the orders for and on behalf of client in the interest of safeguarding client's monies and avoid frauds.

16. "The Client" hereby agrees to use the facilities, data and information which is provided by "the Stock Broker" or which may become available to the Client as a result of client's relationship with "the Stock Broker" purely for the purposes permitted by "the Stock Broker" and only for the personal use and agrees never to disseminate any information or data for any reason or purposes whatsoever except under a written authority signed by a director of "the Stock Broker" It is agreed by Client that all intellectual properties (IP) in any such information / data shall remain with "the Stock Broker" and / or stock exchange and /or relevant service / information provider and Client shall not remove any IP markers etc. from any documents/ information received.
17. The Client hereby agrees that Multigain may communicate/ send information to the Client like order placement, order confirmations, order modifications, order executions, trade confirmations, trade modifications, bills, transaction statements, account statements, margin requirements, trading / settlement cycles, delivery / payment schedules, policies, procedures, notices, frequently asked questions (FAQs) and any other documents / reports, using any or more of the following means or methods such as post / speed post / courier / registered post / registered post acknowledgement due / facsimile / telegram / cable / e-mail / voice mails / telephone (telephone includes such devices as mobile phones etc.) including SMS on the mobile phone or any other similar device; by messaging on the computer screen of the Client's computer; by informing the Client through employees / agents of Multigain, by publishing / displaying it on the website of Multigain / making it available as a download from the website of Multigain; by displaying it on the notice board of the branch / office through which the Client trades or if the circumstances, so require, by radio broadcast / television broadcast / newspapers advertisements etc; or any other suitable or applicable mode or manner. The Client agrees that the postal department / the courier company /newspaper company and the e-mail/ voice mail service provider and such other service providers shall be the agent of the Client and the delivery shall be complete when communication is given to the postal department / the courier company / the e-mail /voice mail service provider/SMS, etc. by Multigain and the Client agrees never to challenge the same on any grounds including delayed receipt / non receipt or any other reasons

whatsoever.

18. Client understands that for performing the acts contemplated under this relationship/"Contract" Multigain has to use softwares and hardwares/machines etc. Client understand that as regards trading the softwares/programmes of stock exchanges are used with additional softwares permitted by stock exchanges such as (without limitation and as illustration) ODIN DIET Client, Net.Net, NOW Online, FASTRADE, etc. While stock exchanges take all care have fullproof softwares/ programmes and additional softwares/programmes such as ODIN DIET Client, Net.Net, NOW Online, FASTRADE, etc. are pre-approved by stock exchanges no warranty /guarantee is taken either by the vendors/suppliers of any these softwares/ programmes of their fullproof/glitch/bug free performance always. Their operations can also be effected due to software viruses etc. which may interalia lead to disruption in trading / order entry and/or false/incorrect display of order/trade status including but not limited to display of trade confirmation etc. when actually trade has not occurred or has occurred contrary to display. Therefore Client shall be duty bound to act with all reasonable caution and not to trade where there are reasonable grounds to believe that the trading system is not operating normally including situations where usual limits applicable as per the margin availability / quantity limits on order are either not operational or are out of sync with clients own margin and quantity limits. Any acts against the covenant by client shall make client liable for criminal prosecution apart from claims of damages and other losses by "the Stock Broker" and / or the insurer of "the Stock Broker". Further, "the Stock Broker" is authorized but not obliged to have system / software/ human controls to ensure Client Trades / places orders with adequate margin, however the responsibility to trade / place orders within bound of margin limits shall always be of " the Client" and it shall be open to Client to trade / place orders within bounds of margin limits shall always be of "the Client" and it shall not be open to Client to trade/ place orders where it is reasonably clear that the restrictions if any by "the Stock Broker". Are not active / or are malfunctioning. Where Client does trade in contravention of this covenant Client shall be liable for criminal prosecution apart from the claims of damages and other losses by the "Stock Broker" and / or the insurer of "the Stock Broker". Given aforementioned possibilities of system / software/ human errors the Client agrees that display or printout of any transactions taken out from any system / computer at the time of order entry or instructions entry or thereafter, including but not limited to net banking and/or electronic transfer of securities in depository etc., shall not be construed as the official record of the transactions/orders. Multigain's or service providers'

- (such as bank's/stock exchanges/clearing house/clearing corporation/ depository participant/depository) final official record of transaction maintained in their own books of accounts or electronic systems shall only be the acceptable records and shall be conclusive and binding for all purposes (such as clearing file of stock exchanges etc.). The Client agrees that this is without prejudice to the right of Multigain/service provider to rectify any discrepancy / differences which is due to any inadvertent human error/ system/ computer error etc., at any time without limitation, at the sole and absolute discretion of Multigain and / or any of the service providers.
19. The Client agrees to use, such facilities/arrangement with banks /depository participants for making or receiving payment of funds/monies and/or securities, as may be prescribed by Multigain in its absolute discretion including but not limited to online or offline facilities of one or more banks or depositories and Client hereby agrees not to hold Multigain responsible for any losses or damage which may be suffered by the Client by use of any such prescribed facilities.
  20. The Client agrees that Multigain or any service provider such as banks etc., may from time to time prescribe particular softwares (including but not limited to browsers, operating systems, TCP/IP protocols etc.) / devices / equipments etc. and the Client agrees that such softwares / devices /equipments may need to be changed / upgraded to newer versions and this may require the Client to suitably reinstall/ uninstall/ upgrade the said facilities / device / equipments etc. at its end. Such changes may involve disruption in trading / communication of orders and may even lead to losses and the Client hereby unconditionally and absolutely agrees not to hold Multigain or service providers or depositories responsible on any account. All costs / charges /levies and fees incurred by the Client for the said services shall be borne exclusively by the Client alone.
  21. The Client hereby authorizes Multigain in its absolute discretion to maintain records / books of accounts for the Client separately or collectively for different exchanges / segments of the exchanges & / or any other service which the Client may be availing such as Depository Services etc. It shall be the sole responsibility of the Client to ascertain the balance of securities & /or funds in all the accounts separately and the Client shall be required to pay / make available necessary monies / funds and / or securities into anyone or more such segregated / aggregated account(s) notwithstanding the fact that an aggregation of the accounts may not require from the Client either any securities and / or monies / funds and the Client hereby agrees not to hold Multigain responsible for considering shortage of margin / security & / or shortage of pay in obligations in any account, without aggregating / summing such account with other accounts.
  22. Client agrees that any loss due to any erroneous order entry / erroneous order modification shall be entertained by Multigain only to the extent of insurance claim received.
  23. The Client hereby agrees to use the facilities, data and information which is provided by Multigain or which may become available to the Client as a result of Client's relationship with Multigain purely for purposes permitted by Multigain and only for personal use and agrees never to disseminate any information or data for any reason or purposes whatsoever except under a written authority signed by a director of Multigain.
  24. The Client hereby agrees and declares that he / she / it has fully assessed and accepted the risks involved in using the services/ facilities including but not limited to internet based services such as but not limited to misuse of passwords, internet frauds, technology risks etc., and agrees not to hold Multigain and any / all service providers responsible for any damages, losses or negative consequences which Client may suffer in any manner whatsoever.
  25. Client agrees to Multigain tape-recording the conversations between Client / Client's representative and Multigain's officers/ employees/ agents etc. in its absolute discretion, either personally or over the telephone. Such recordings may be relied upon by Multigain as and when required, and the Client agrees not to challenge the evidentiary value of such recordings.
  26. Client wants to make investments in mutual funds, initial public offerings/follow on public offerings, rights issue, fixed deposit(s) etc. and generally to invest in various avenues / products and to redeem/liquidate any investments and wants Multigain to give effect to desires/ requirements of Client by giving orders/instructions (electronic/ physical/verbal) for the same and to sign any documents and / or do any and all act(s) as may be required or are deemed necessary in opinion of Multigain for these purposes from time to time. In view of the foregoing Client authorizes "the Stock Broker" to share Client's personal and other information with other parties including "the Stock Broker"'s group / related entities so as to receive offers and information on various product / services etc. and agrees that any offers / information received shall not be contested on grounds of addresses / phone included in national do not call registry or any other such restrictive regulations/laws.
  27. In case Client has made any purchase of securities and the delivery of the same falls short inter-Client at the broker level, Client hereby authorize Multigain to make purchases of the same in the market to make available the delivery of the said securities to Client.



In Case, the shares are not purchased from the market for whatsoever reason, the buyer will get the credit of 2% over and above the closing price of the shares on the date of the auction for the settlement or minimum 50 paise per shares on the date of the auction for the settlement which ever is higher.

28. In case Client has made any sale of securities and due to any exigencies Client is unable to make available the delivery of the same in the designated account within the designated time and it is an inter Client delivery at broker level, Client hereby authorizes Multigain to make purchases of the same in the market on Client's behalf to make available the delivery of the said securities to the opposite party.

In case, the shares are not purchased from the market for whatsoever reason, the seller account shall be debited by the closing price of shares on the date of the auction plus 2% over and above the closing price or minimum 50 paise per shares on the date of the auction for the settlement which ever is higher.

29. Client hereby authorizes Multigain to debit Client's account with depository services charges, bank charges on account of dishonor of cheques, stop payment instruction charges, demand draft/pay order/PGP charges, NEFT/RTGS charges, call and trade charges, SMS charges, settlement professional charges (for as may be applicable to NRIs), research service/message fee, trading platform charges, application money and processing charges for mutual funds, initial public offerings/follow on public offerings, rights issue, fixed deposit(s), money market instruments, etc. generally various investment avenues / products, processing fees/charges towards contract note/statement of account etc. and any other such or similar fees / charges as may become applicable from time to time.
30. The Client hereby authorizes "the Stock Broker" to maintain books of accounts on combined ledger principle i.e. to say collectively for all segments of all exchanges and any other exchanges and any other segment or service for which "the Client" has an arrangement to deal through / with "the Stock Broker". However, "the Stock Broker" shall be within its rights to demand sums due separately for any specific agreement and / or exchange if it so deems fit in its absolute discretion.
31. Client agrees that "the Stock Broker" shall be entitled to further pledge and / or deposit shares / stocks (securities)/ funds(monies)and any other collateral such as fixed deposit receipts / gold / real estate etc. of "the Client" which may be available to "the Stock Broker" Inter-alia on account of the same having been deposited by the Client as collateral / margin and / or lying with "the Stock Broker" on account of maintenance of running account for "the Client". Such Pledge / deposit may be made by "the Stock Broker" from

time to time with any exchange(s)/ clearing corporation / clearing house/ any other person in its absolute discretion and " the Stock Broker" may raise funds / obtain bank guarantees / fixed deposits receipts against such stocks/shares(securities) from time to time.

32. Client has/ may have accounts with anyone or more companies which are part of the group to which Multigain belongs (hereinafter referred to as "Multigain Group"). Client understands that from time to time there may be situations where on one hand he has credit balance with one or more companies of Multigain Group and on the other hand debit balance with one or more companies of Multigain Group. Given the structure of banking system delays are likely if funds are taken by Client from one or more Multigain Group companies by cheque/ demand draft and paid to one or more Multigain Group companies by cheque/demand draft. Therefore Client desires and directs Multigain to net off/ adjust Client's credit and / or debit balance with Multigain with any other Multigain Group company by way of appropriate accounting entry(ies).
33. I/We have the option to receive the account statement for funds and securities either in physical or electronic form. I/We hereby authorize you to send me/us the same electronically at my/our e-mail id given to you at a frequency of one month/three months.
34. In connection with this "Contract", as well as all transactions contemplated under this "Contract" as offered by Multigain from time to time, the Client agrees to execute and deliver documents titled "authorisations" and to perform such additional actions which may be necessary, appropriate or requested to carry out or evidence the transactions in respect of the services availed by the Client from time to time. All the terms of this "Contract" shall be read as part and parcel of authorisations.
35. The Client hereby declares that all information which have been provided, are being provided and which shall be provided by the Client to Multigain or any service provider under this "Contract" or in relation thereof or as consequences thereof is and shall always be true to the best of information and knowledge of the Client.
36. The Client expressly agrees that his /her/ its utilization of a service / facility such as but not limited to advisory services, any other activity for and on the behalf of the Client or any other transaction which Multigain undertakes with or for the Client, shall also be covered by the terms & conditions of this "Contract".
37. The Client agrees that all monies, securities or other property which Multigain may hold on Client's account shall be held subject to a general lien for the discharge of Client's obligations to Multigain . Client further agrees neither to

close bank and depository accounts nor to mark any lien / pledge on the securities and / or monies lying in such accounts which are linked to his trading account till such time that his/her account is fully settled with "the Stock Exchange" for all the obligations.

38. "The Client" also acknowledges that "the Stock Brokers"'s employees / agents (whether dealer, relationship manger, sub broker or authorized person) are not authorized to accepts any cash from any person and if client provides cash to any person then in that event "the Stock Broker" shall in no way be responsible and the relationship of Client with any such person including with dealer, relationship manager, sub-broker or authorized person shall be a personal, mutual and private relationship between "the Client" and such person(S) and Client shall have no recourse/ right against "the Stock Broker". "The Client" acknowledges that all the payments to "the Stock Broker" shall be made by "the Client" through cheques / Demand Draft or any other instrument drawn in favor of "the Stock Broker". "The Client" also understands that while making payments through Demand Drafts "the Client" the client ids bound to declare in writing to "the Stock Broker" the source of such demand draft and "the Client" will always make true and correct declaration. "The Client", without prejudice to the legal rights available to "the Stock Broker", also indemnifies "the Stock Broker" from any third party claim which may arise on account of payment made by "the Client" through such Demand Draft / Cheque to "Stock Broker".
39. "The Client" agrees and accepts that he shall never leave / entrust blank Delivery Instruction Slip (also known as DIS) pertaining to his depository account to any employee / agent (including sub-broker/ authorized person) of the "Stock Broker", the same shall be un equivocally a personal , private arrangement between such person and "the Client" and " the Stock Broker", shall have no liability towards "the Client" for outcome including losses, if any on account of such entrustment / leaving of blank Delivery Instructions Slips (also known as DIS) by " the Client" in contravention of this explicit written term between "the Stock Broker" and "the Client".
40. "The Stock Broker" sends through post, courier, government post, disseminates through web site the pay-in / pay out and other obligations relating to Client trading and other relevant information. "The Client" agrees that it is his /her / its responsibility to review any / all information communicated including but not limited to order placement, order confirmations, order modifications, order executions, trade confirmations, trade modifications, bills, transaction statements, account statements, margin requirements etc. communicated to "the Client" by any of the aforesaid means or mode whatsoever, immediately on their receipt and take

necessary action. If "the Client" does not revert with objections within 48 hours of issuance of information to him, the same shall be deemed accepted by "the Client". Client further agrees that due to above regular dissemination / dispatch of information the Client shall be knowing the quantum of funds / securities etc. which should be received by him in regular course of trading etc. Therefore where Client comes in possession of assets of "the Stock Broker" (including those of any third party such as bank / other clients) which do not appear to belong to him, (whether due to system, software / hardware and / or human failure / fraudulent acts) the same shall be held by "the Client" in trust and returned suomoto to "the Stock Broker". Any actions by Client in contravention of this covenant shall make Client liable for criminal prosecution apart from Claims for damages and other losses by "the Stock Broker" and / or the insurer of "the Stock Broker" and / or third parties affected by acts of "the Client".

41. The Client hereby agrees that it is the sole responsibility of the Client to know the status/ declaration of all corporate benefits including but not limited to Rights Issue, Bonus Issue, Dividends and Stock Split of Shares/ Buy Back, etc, announced by Issuer Company from time to time, for securities of company(ies) in which Client intends to trade and/ or those which are kept by Client with Multigain for ease of dealing/ margin/ collateral security etc. and make appropriate trading/dealing decisions by appropriately considering the impact of any corporate action(s). Multigain is not required to act as an advisor to Client in any of these matters/ aspects. It is the Clients sole responsibility to track announcements of such corporate benefits Multigain shall not be liable for any losses suffered by Client, if Client fails to apply to such corporate benefits for the shares held by Multigain in beneficiary account on behalf of Client. Client may be keeping securities with Multigain for ease of payment for ease of dealing / consideration as margin / security / collateral etc. Client understands that some corporate benefits will be passed onto the relevant account of Multigain by issuer company(ies). It is understood and agreed that these corporate benefits will continue to remain with Multigain unless a request ( to be binding upon Multigain only if evidenced by a photocopy/carbon copy of such request duly receipted by manager and one more officer of relevant branch with stamp) is made by Client for transfer the same to Client's own account. The transfer by Multigain shall not be immediate but take reasonable time, subject to there being no pay - in obligations/ margin obligations/collateral obligations needed to be fulfilled by corporate benefits received.

Further, where Client is keeping securities with Multigain for ease of dealing for consideration as margin/security/collateral etc., Client understands that

some corporate benefits will require some action for obtaining the same, such as for rights issue etc. It is understood and agreed that Client shall free the securities from any margin/collateral/security/ pay -in obligations and get them moved through request (to be binding upon Multigain only if evidenced by a photocopy/ carbon copy of such request duly receipted by manager and one more officer of relevant branch with stamp) given well in advance to Client's own beneficiary account and take necessary action for applying and/or receiving corporate benefits. In exceptional circumstances Multigain may upon request (to be binding upon Multigain only if evidenced by a photocopy/ carbon copy of such request duly receipted by manager and one more officer of relevant branch with stamp) given well in advance take actions for and on behalf of Client to / apply and / or receive such corporate benefits such as for Right Issue/Open Offer/Buy Back for the shares held by Multigain on behalf of client (subject to Client making available free funds etc. for the same well in advance). However Multigain shall not be liable for any loss/claim whatsoever in the event such application is rejected by Registrar /Company /Manager to the Issue for any reason.

42. The Client agrees that this Contract and agreements etc. preceding or succeeding it are non-signable without prior written approval of "the Stock Broker".

43. This Contract and any preceding and / or succeeding agreements / documents shall not be affected by Client's death, dissolution and/or winding-up and its / his / her their estate, effects heirs, executors, administrators and legal representatives will continue to be liable for full payment of all the moneys payable and/or due to "the Stock Broker".

44. "The Stock Broker" may grant / transfer to any person / blank financial institution, for any purpose whatsoever, any of its rights under this "Contract" or under any preceding or succeeding agreements/writings etc. including the right to any aContractnts receivable by "the Stock Broker" or any other rights and may grant/ transfer such rights by way of sale or as a charge or as a security and any person to whom such rights are granted / transferred shall be entitled to the full benefit of such rights

#### 45. EVENTS OF DEFAULT AND TERMINATION

Each of the following events is, and shall be deemed to constitute, an "Event of Default".

- a. If "the Client" defaults in the payment of any obligations as and when they become payable;
- b. If "the Client" does not maintain the Margin at the prescribed levels;
- c. If "the Client" has made any material misrepresentation of facts, including (without limitation) in relation to the

Security;

- d. If "the Client" has voluntarily or compulsorily become the subject of proceeding under any bankruptcy or insolvency law or being a company, goes into liquidation or has receiver appointed in respect of its assets or refers itself to the Board for Industrial and Financial Reconstruction or under any other law providing protection as a relief undertaking;
- e. If "the Client" being a partnership firm, has any steps taken for dissolution of the partnership;
- f. On the death/lunacy or other disability of "the Client".
- g. If there is reasonable apprehension that "the Client" is unable to pay its debts or "the Client" has admitted its inability to pay its dues, as they become payable;
- h. If "the Client" suffers any adverse material change in his/her/its financial position or defaults in any other agreement with the "the Stock Broker";
- i. If there is any commencement of a legal process against "the Client" under any law in force;
- j. If "the Client" has taken or suffered to be taken any action for its reorganization, liquidation or dissolution;
- k. If a receiver, administrator or liquidator has been appointed or allowed to be appointed of all or any part of the undertaking of "the Client";
- l. If "the Client" is in bench of any term, condition or covenant of this Contract or any preceding or succeeding agreements with Stock Broker;
- m. If any covenant or warranty of "the Client" is incorrect or untrue in nay material respect;
- n. If "the Client" creates any encumbrance over the securities placed as margin, or otherwise takes any action towards creation of such encumbrance over the securities placed as margin;
- o. If the title of "the Client" to the securities placed as margin is in jeopardy or if there is an attachment or lien against the securities places as margin;
- p. If the Client acts /or desists from acting in any manner which will jeopardize the securities placed as margin or the powers vested in "the Stock Brokers" under the Power of Attorney from being exercised by "the Stock Broker" (acting through its authorized representative);
- q. There exists any other circumstance, which in the sole opinion of "the Client" is prejudicial in the interest of "the Client"; and
- r. If an event of default has occurred under any other agreement entered into by "the Client".

- s. If the action of "the Client" are prima facie illegal/improper (without limitations misbehavior, threat to person / property of stock broker or its employees, entry in to stock brokers premises in intoxicated state) such as to manipulate the price of any securities or disturb the normal, proper functioning of market, either alone or in conjunction with others.
- t. If, in the opinion of "the Stock Broker" "the Client" has committed assisted, abetted crime / fraud or/ is likely to evade/ violate or assist or abet violation/ evasion of any laws ryes, regulations, directions of a lawful authority whether Indian or foreign if "the Stock Broker" so apprehends.
- u. If any Event of Default has occurred or is continuing, "the Stock Broker" shall have the right to suspend or terminate the Contract and all other preceding and succeeding agreement with "the Client" without notice during suspension all trading and other services to Client shall remain suspended.
46. The Client agrees that the failure of Multigain to enforce at any time any terms contained in this "Contract" shall not be construed to be the waiver of any terms or of the right thereafter to enforce each and every term.
47. Except where the bye-laws provide otherwise, the Parties agree to exclusive jurisdiction of courts of law at Delhi
48. If any provisions of this "Contract" are held invalid or unenforceable by reason of any law, rule, administrative order or judicial decision by any court, or regulatory or self regulatory agency or body, such invalidity or unenforceability shall attach only to such provision or terms held invalid. The validity of the remaining provisions and terms shall not be affected thereby and these terms shall be carried out as if any such invalid / unenforceable provisions or terms were not contained herein.

Client confirms having read and accepted the terms and conditions of this document titled as "Contract: inter-alia comprising citation and clauses 1 to 48 and accepts and agrees to be bound by all of them including those excluding/limiting Multigain 's liabilities.

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

#### Signed and Delivered by

##### Client- Name and Signature

Client Name

Signature 

##### WITNESS : Name and Signature (on behalf of Client)

##### 1st Witness

Name

Signature

Address

PIN Code

##### 2nd Witness

Name

Signature

Address

PIN Code

Place  Date  -  -

#### Signed and Delivered by

##### Multigain Securities Services Pvt. Ltd.

Authorised Signatory

##### WITNESS : Name and Signature (on behalf of Multigain )

##### 1st Witness

Name

Signature

Address

PIN Code

##### 2nd Witness

Name

Signature

Address

PIN Code

Place  Date  -  -

Note: All references to the specific quantity / rate / fee mentioned in this agreement are subject to change from time to time, as so agreed to in writing between the parties.

## DISCLOSURE INFORMATION

To, \_\_\_\_\_ Date 

		-			-				
--	--	---	--	--	---	--	--	--	--

Sir,

This is to inform you that we do client based trading and Pro-account trading in National Stock Exchange of India Ltd. (NSE)/ Bombay Stock Exchange Ltd. (BSE)/ MCX Stock Exchange Ltd. (MCX-SX) / United Stock Exchange of India Ltd. (USE).

Thanks and best regards.

**For Multigain Securities Services Pvt. Ltd.**

Authorised Signatory/ Director

I acknowledge the receipt of information given above by Multigain Securities Services Pvt. Ltd. that they do Client base trading and Pro-account trading.

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

Signature



[Note: To be signed by person himself/herself not to be signed by his/her attorney/authorised person etc.]

## INTERNET TRADING LETTER

To, \_\_\_\_\_ Date | | - | | - | | | |

**Multigain Securities Services Pvt. Ltd.**

Regd. Office : H-50, Lajpat Nagar, Moradabad-244001

### Sub.: Internet Trading

Sir,

We wish to trade through internet on National Stock Exchange of India Ltd./Bombay Stock Exchange Ltd./MCX Stock Exchange Ltd./United Stock Exchange of India Ltd. and confirm that we are fully aware of and understands the risks associated with availing of a service of routing orders through internet including the risk of misuse and unauthorised use of our Username and/or Password by a third party and the risk of a person hacking into our account on your Internet Trading system and unauthorisedly routing orders on behalf of us through the System. We agree that we shall be fully liable and responsible for any and all unauthorized use and misuse of our Password and/or Username and also for any and all acts done by any person through your Internet Trading system on our Username in any manner whatsoever. We are also agree to pay all the applicable charges.

We hereby confirm you to send our Username and Password on the below mentioned e-mail address.

E-mail Address : .....

Thanks and best regards

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

Signature





## DECLARATION OF JOINT FAMILY BY HUF

To,  
**Multigain Securities Services Pvt. Ltd.**  
Regd. Office : H-50, Lajpat Nagar, Moradabad-244001

Dated : \_\_\_\_\_

1. WHEREAS the Hindu Undivided Family \_\_\_\_\_ (hereinafter referred to as 'the said joint family') carrying on business in the firm name and style of \_\_\_\_\_ at \_\_\_\_\_ or elsewhere (hereinafter referred to as the said H U F), have or desire to have Share Trading A/C with. MULTIGAIN SECURITIES SERVICES PVT. LTD. (hereinafter referred to as 'Member') we, the undersigned, hereby declare. (a) that we are the present adult co-parceners of the said joint family; (c) that we are entitled to trade in shares and open Share Trading Account of the said Joint Family. (d) that each one of us has full and unrestricted authority to act on behalf, and bind, the said H U F and all the present as well as future members, both adults and minors, of the said joint family, howsoever constituted from time to time.
2. We confirm that the affairs of the said joint family and the business of the said H U F are carried on mainly by the Karta/Manager, the said Sh. \_\_\_\_\_ on behalf of and in the interest and for the benefit of all co-parceners of the said joint family. We hereby authorize the Karta / Manager Sh. \_\_\_\_\_ on behalf of the HUF to deal on Capital Market segment (CM), Futures and Options segment (F&O) or any other segment that may be introduced by NSE/BSE in future and the said Trading Member is hereby authorized to honor all instructions oral or written given by him on behalf of the HUF. Sh. \_\_\_\_\_ is authorised to sell, purchase, transfer, endorse, negotiate documents and/or otherwise deal through MULTIGAIN SECURITIES SERVICES PVT LTD on behalf of the HUF. He is also authorised to sign, execute and submit such applications, undertakings, agreements and other requisite documents, writings and deeds as may be deemed necessary or expedient to open account and give effect to this purpose, We are, however, jointly and severally responsible for all liabilities of the said HUF to the Member and agree and confirm that any claim due to the Member from the HUF shall be recoverable from the assets of anyone or all of us and also from the estate of the said joint family including the interest thereon of every co-parcener of the said Joint family, including the share of the minor co-parceners, if any.
3. We undertake to advise the Member in writing of any change that may occur in the Karta/Managership or in the constitution of the said joint family or of the said HUF and until receipt of such notice by the Member, the Member will be entitled to regard each of us as a member of the said joint family and as a partner of the said HUF and all acts, dealings and transactions purporting to have been done on behalf of the said joint family or of the said HUF before the Member shall have received notice in the manner aforesaid, shall be binding on the said joint family and the said HUF and on their respective estates. We shall, however continue to be liable jointly and severally to the Member for all dues and obligations of the said HUF in the Member's book on the date of the receipt of such notice by the Member and until all such dues and obligations shall have been liquidated and discharged.
4. We recognize that beneficiary account can be opened with Depository Participant only in the name of Karta as per regulations. To facilitate the operation of the above share trading account with you and for the purpose of completing the share transfer obligations pursuant to the trading operations, we authorize you to recognise the beneficiary account no. with Depository opened in these name of Sh. \_\_\_\_\_ who is the Karta / Manager of this HUF.
5. I agree that obligations for share purchase and/or sale by the HUF will be handled and completed through transfers to/from the above mentioned account. I recognise and accept transfers made by you to the beneficiary account as completion of obligations by you in respect of trades executed in the above trading account of the HUF.
6. The names and dates of birth of the present minor co-parceners of the said joint family are given below. We undertake to inform you in writing as and when each of the said members attains the age of majority and is authorized to act on behalf of, and bind, the said H.U.F.

Name of the Minor	Father's Name	Date of Birth

7. We have received and read a copy of the Member's rules and regulations for the conduct of Share Trading Account and we agree to comply with and be bound by the said rules now in force or any changes that may be made therein from time to time.

Yours faithfully,

Signature



Date

| | | - | | - | | |

**NSE - MFSS FACILITY**

(Letter to be provided by the Investor to the Participant)

Date

To,

**Multigain Securities Services Pvt. Ltd.**

Regd. Office : H-50, Lajpat Nagar, Moradabad-244001

Sir,

**Sub : Mutual Fund Service System (MFSS) facility**

I/We\_\_\_\_\_am/are registered as your client with Client Code  
No.\_\_\_\_\_and have executed the Trading Member and Client Agreement for the purpose of trading in the Capital  
Market Segment of National Stock Exchange of India Ltd. (Exchange).

I/We am/are interested in availing the MFSS facility of the Exchange for the purpose of dealing in the units of Mutual Funds Schemes permitted to be dealt with on the MFSS of the Exchange.

For the purpose of availing the MFSS facility, I/we state that Know Your Client details as submitted by me/us for the stock broking may be considered for the purpose of MFSS and I/we further confirm that the details contained in same remain unchanged as on date.

I/We are willing to abide by the terms and conditions as mentioned in the Circular dated 24 November, 2009 and as may be specified by the Exchange from time to time in this regard.

I/We shall ensure also compliance with the requirements as may be specified from time to time by Securities and Exchange Board of India and Association of Mutual Funds of India (AMFI).

I/We shall read and understand the contents of the Scheme Information Document and Key Information Memorandum, addenda issued regarding each Mutual Funds Schemes with respect to which I/we choose to subscribe/redeem. I/we further agree to abide by the terms conditions, rules and regulations of the Mutual Fund Schemes.

I/We therefore request you to register me/us as your client for participating in the MFFS.

Thanking you,

Yours faithfully,

Client Name | | | | | | | | | | | | | | | | | | | | | |

Signature



## DETAILS OF TERMS & CONDITIONS FOR THE INVESTOR / CLIENT FOR USING NEW MFSS FACILITY

### 1. Pre-requisites for becoming Investor / Client for the New MFSS facility

- 1.1 The client who is desirous of investing in units of mutual fund schemes through the New MFSS.
- 1.2 The Client intends to execute his instruction for the subscription/redemption of units of Mutual Fund Schemes through the Participant of the New MFSS.
- 1.3 The client has satisfied itself of the capacity of the Participant to deal in Mutual Fund units and wishes to execute its instruction through the Participant and the client shall from time to time continue to satisfy itself of such capability of the Participant before executing transacting through the Participant.
- 1.4 The Client has approached to the Participant with the application for availing the New MFSS facility.
- 1.5 The Client has submitted relevant KYC (Know Your Client) details to the Participants

### 2. Terms and Conditions

- 2.1 The client shall be bound by circulars issued by NSEIL, Rules, Regulations and circulars issued there under by SEBI and relevant notifications of Government authorities as may be in force from time to time.
- 2.2 The client shall notify the Participant in writing if there is any change in the information in the 'Client Registration Form' provided by the client to the Participant at the time registering as a client for participating in the New MFSS or at any time thereafter.
- 2.3 The client shall submit to the Participant a completed application form in the manner prescribed format for the purpose of placing a subscription order with the Participant.
- 2.4 The client has read and understood the risks involved in investing in Mutual Fund Schemes.
- 2.5 The client shall be wholly responsible for all his investment decisions and instruction.
- 2.6 The client shall ensure continuous compliance with the requirements of the NSEIL, SEBI and AMFI.
- 2.7 The Client shall pay to the Participant fees 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 Participant renders to the Client.
- 2.8 The client will 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 him or if any litigation which may have material bearing on his capacity has been filed against him.
- 2.9 In the event of non-performance of the obligation by the Participant, the client is not entitled to claim any compensation either from the Investor Protection Fund or from any fund of NSEIL or NSCCL.
- 2.10 In case of any dispute between the Participants and the investors arising out of the MFSS facility, NSEIL and / or NSCCL agrees to extend the necessary support for the speedy redressal of the disputes.

Signature





## STANDING INSTRUCTIONS

To,  
**Multigain Securities Services Pvt. Ltd.**  
Regd. Office : H-50, Lajpat Nagar, Moradabad-244001

Date  -  -

### Sub. : Standing Instruction.

This is with reference to my/our trading account with you. I/we wish to place following standing instructions for operation of my/our accounts

- 1) I/we understand that you require written instructions for receiving/modifying or canceling orders. However, since it is not practical to give written instruction for every order, I/we hereby authorize you to kindly accept my/ our authorized representatives'. Verbal instructions/order over phone and execute the same.
- 2) Since you are issuing contract note bearing order numbers and trade numbers on a daily basis, please do not issue the order/trade confirmation slips as generated from the NEAT system, unless otherwise requested by me/us in writing.
- 3) I/We understand that you wish to transfer securities and funds payout to me within 24 hours of exchange payout, but since, I/We deal on regular basis with you, you are hereby authorized and requested to keep the funds and securities payout with you for margin compliance and future trading obligations. The funds and securities may be given to me only on my specific request.
- 4) I/We authorize you to offset dues owned by the client or any of my/our family / related members to any group or associate company of the Stock Broker, from the amounts standing to the credit of his/her account with the Stock Broker.
- 5) The Client authorizes the Stock Broker to set off a part of whole of the Margin i.e. by the way of appropriation of the relevant amount of cash or by sale or transfer of all or some of the securities which form part of the Margin, against any dues of the client or of a Stock Broker of the "Family" of the client (for the purposes of this agreement "Family" shall hereinafter mean all the individual, group companies, firms, entities and other persons), in the event of the failure of the client or a member of the Family of the client to meet any of their respective obligation under these terms.
- 6) The Client specifically authorizes the Stock Broker to set off the outstanding in the account maintained by the stock broker of any member's of the clients Family/Group Accounts having the following client codes against the money standing to the credit of the account maintained by any other member of his /her Family across any segment of any exchange.

Sl. No.	Name of the Person	Client Code	Signature of the Persons
1.			
2.			
3.			
4.			
5.			

- 7) The client is aware that the Stock Broker is required to issue / securities due to the client within specified period of the payout from the exchange in order to facilitate operations, the client authorizes the Stock Broker to maintain running account both for funds and securities of the client with the Stock Broker, instead of settlement to settlement clearance of dues to the client. Also the client authorizes the Stock Broker to keep the shares purchased by it as margin for his / her transaction or his / her family members transaction. Further, I/we understand and agree that any credit lying with you will not attract any interest.
- 8) I/We agree and authorize you to debit charges for depository services or inter settlement charges in cases where the securities paying are made directly from margin a/c. balance and any other incidental charges, penalties imposed by exchange etc. to my / our running account.
- 9) The client further agree that other charges by the name of turnover charges / Exchange turnover charges / stamp duty charges / stamp paper charges or by any other name will be borne by the client in addition the brokerage payable on transaction and the same shall be debited to the client account with the member. The client further confirms that is shall be his duty to note the said charges regularly and periodically and shall not raise any dispute or claim in respect to said charge(s) at any later stage. The client further certify and ensure that the said charges can be carried by the broker from time to time and broker is not requiring taking separate specific approval from the client.

- 10) I/We agree that you may refuse to execute any particular transactions without assigning any reason thereof.
- 11) I/We hereby request you to please provide me some support in the form of technical analysis (intraday, medium to short term), research reports, both securities wise and sector wise, fundamentals analysis of stocks for my trading and investment decisions. Further, I/We hereby confirm and declare that your providing me any or all such requested assistance, through SMS, E-mails and/or research reports could not be held liable for any loss that may occur, as I understand that trading and investment decisions are subject to market risks. I also understand that your company, directly or indirectly, may hold any market position in the securities covered under your research advises and I am not bound to follow your advises and assistance. Please also note I am responsible for all my trading and investment decisions and under circumstance any body else (including yourself) can be held liable for any depreciation in my investments.
- 12) You are specially authorized to send me the Electronic Contract Notes (ECN) at my Email ID mentioned in KYC. You are also authorized to create my e-mail ID on your web server for sending such ECN and statement of accounts, if I/We have not provided you in KYC.
- I also understand and confirm that the ECN shall be deemed to have been delivered to me by you and you shall not be responsible for any bounced Email.
- If in any case ECN will bounce back then MULTIGAIN will give contract note in hard copy to client.
- I Further agree to :**
- Ensure availability of my email id at all times for your needs.
  - Keep you updated for any change in Email Id, Phone nos etc.
- 13) I/We agree to abide by client level position limit presented by stock exchange and other relevant, and if inadvertently exceeded, to actually reduce and bring it within acceptable limits. I/We further authorize you to debit us for any penalty imposed on you for our violation toward position limit.
- 14) I/We shall be extending all co-operation to Multigain Securities Services Pvt. Ltd. in their endeavor toward Anti-Money Laundering. Multigain Securities Services Pvt. Ltd. may initiate any enquiry against me/us and or my/our transaction any time without any legal implication whatsoever against them. I/We understand that information about me/us and my/our transaction may be reported by Multigain Securities Services Pvt. Ltd. to FIU/concerned authorities without any intimation to us and have no objection to the same.
- 15) Multigain Securities Services Pvt. Ltd. can pass on me/us any penalty imposed /loss suffered together with incidental expenses due to my/our violating any of the requirements/stipulations of NSE/BSE/MCX-SX/USE/SEBI or any other regulatory authority.
- 16) We may revoke the authorisation at any time.
- **You are requested to follow the above-mentioned standing instructions until further written notice.**
  - **I/We confirm that there instructions and requests have been given voluntarily by me/us.**
- 17) You are requested to kindly note that the orders placed / modified / cancelled by me / us should not be noted in the order book and I / we hereby authorize you not to provide me / us Order Confirmation / Modification / Cancellation Slips and trade Confirmation Slips to avoid unnecessary paper work. I / We Shall get the required details from contract notes issued by you.
- 18) Authorization of inter segment/inter company ledger account balance transfer The client hereby authorizes the stock broker to transfer his / her / its debit /credit ledger account balances arising during the course of business in his / its account to his / her /its account in any of the segment of the stock broker or the stock broker's group company or any segments debt market, cash / derivatives segment , as often as may be required. The transfers may be completed by passing journal entries in the book of the stock broker. The client can ascertain such transfer based on review of ledger account copies provide by the stock broker .
- 19) I/We agree that MULTIGAIN may share the information provided by me/us pertaining to my trading account to its sister concern / group companies / associates as and when required.
- 20) If the clients fail to pay its obligations, and Stock broker liquidated / set off its position / margin against obligation, it will be the sole description of member to select any part of the position / Margin / security.

Thanking you,

Yours faithfully,

Client Name

Signature





## RUNNING ACCOUNT AUTHORISATION

To,  
**Multigain Securities Services Pvt. Ltd.**  
Regd. Office : H-50, Lajpat Nagar, Moradabad-244001

I/We have been / shall be dealing through you as my/our broker on the Capital Market and/ or Futures & Options Segments/Currency Derivative Segments. As my/our broker i.e. agent I/ we direct and authorize you to carry out trading/ dealings on my/our behalf as per instructions given below.

I am/ We are aware that you and I/we have the option to deliver securities/ make payments of funds to each other for settlement of dealings as per the schedule in force at the relevant time pursuant to directives / regulations/ circulars, issued by exchange/ regulatory authorities. However, I/we find it difficult to carry out repeated pay-in of funds and securities. Further, I/we also desire to use my/our securities and monies as margin/ collateral without which we cannot deal/trade.

Therefore I/we hereby direct and authorise you to maintain running account(s) for me/us and from time to time debit these securities and funds from running accounts and make pay-in of securities and funds to exchanges/ clearing corporations/other receiving party(ies) to settle my/our trades/ dealings. Similarly, where I/we have to receive securities/funds in settlement of trades/ dealings please keep the securities and monies with you and make credit entries for the same in running accounts of securities and funds maintained by you. Further, subject to your discretion and valuation please treat my/our securities and funds lying to my/our credit in running accounts as margin/collateral for my/our dealings/trading.

In the event I/we have outstanding obligations on the settlement date, you may retain the requisite securities/funds towards such obligations and may also retain the funds expected to be required to meet margin obligations for next 5 trading days, calculated in the manner specified by the exchanges. While settling the account please send a 'statement of accounts' containing an extract from ledger for funds and an extract from the register of securities displaying all receipts/deliveries of funds/securities. Please explain in the statement(s) being sent the retention of funds/securities and the details of the pledge, if any. I agree that if I/we fail to bring any dispute arising from the statement of accounts or settlement so made to your notice within 7 working days from the date of receipt of funds/securities or statement, as the case may be in writing by delivery at your registered office then in that event the statement of accounts or settlement so made shall attain finality and I/we shall have no right to dispute any/either of these ever. Please do not carry out above stated settlement of running account in the event I/we avail margin trading facility. Further, do not carry out settlement of running account referred to above for funds given by me/us towards collaterals/margin in the form of bank guarantee (BG)/Fixed Deposit receipts (FDR).

Please further note that while I am entitled to revoke this authorisation at any time, however, such termination shall be subject to notice period of fifteen days from the date of physical delivery of revocation letter at your registered office to allow you to make necessary changes to handle my account without running account authorisation. I/We shall be liable for all losses, damages and actions which may arise as a consequence of your adhering to and carrying out my / our directions given above and further agree that you shall not be liable for any claim for loss or profit, or for any consequential, incidental, special or exemplary damages, caused by retention of securities / monies under this agreement.

My/Our preference for actual settlement of funds and securities is at least :

☐ Once in a Calander Quarter

☐ Once in a Calender Month

Thanking you,

Yours faithfully

Client Name

Signature



(Note : To be signed by person himself/herself not to be signed by his/her attorney/authorised person etc.)

**AUTHORISATION FOR ELECTRONIC CONTRACT NOTES/STATEMENTS**

To,  
**Multigain Securities Services Pvt. Ltd.**  
 Regd. Office : H-50, Lajpat Nagar, Moradabad-244001

Date | | - | | - | | |

I/We have been / shall be dealing through you as my /our broker on the Capital Market and/ or Futures & Options Segments / Currency Derivative Segments. As my/our broker i.e. agent I /We direct and authorize you to carry out trading / dealings on my / our behalf as per instructions given below.

I / We understand that, I / we have the option to receive the contract notes, account statements/statement of securities in physical form or electronic form. In pursuance of the same, I / we hereby opt for receipt of contract notes, account statements/statement of securities in electronic form. I / We understand that for the above purpose, you are required to take from the client "an appropriate email account" for you to send the electronic contract notes and account statements.

Accordingly, please take the following email account(s)/ email id on your record for sending the contract notes to me/us.

1. ....

I / We agree not to hold you responsible for late / non-receipt of contract notes and account statements sent in electronic form and any other communication for any reason including but not limited to failure of email servers, loss of connectivity, email in transit etc. I / we agree that the log reports of your dispatching software shall be a conclusive proof of dispatch of contract notes to me/us and such dispatch shall be deemed to mean receipt by me/us and shall not be disputed by me / us on account of any non-receipt / delayed receipt for any reason whatsoever.

I / We also agree that non-receipt of bounced mail notification by you shall amount to delivery at my / our email account(s) / email id(s).

In terms of the agreement entered into between us, in Digital form, Digital contract issued by you as per the terms and conditions specified shall be binding on me. I/We undertake to check the contract notes and bring the discrepancies of your notice within 24 hours of such issuance of contract notes, My/ our non-verification or not accessing the contract on regular basis shall not be a reason for disputing the contract note at any time. This instruction to issue digital contract note is applicable with immediate effect.

I/We also acknowledge the upload of contract notes/bills, statement of accounts/ledgers and other statements/ documents for trading on NSE on your website [www.multigain.in](http://www.multigain.in). I/We hereby agree and confirm to verify the information/documents that are sent on email and/or upload on the said website regularly and the same shall be deemed to be received by me/us (vide SEBI circular ref.No. SEBI/SMD/SE/15/2003/29/04 dated April 29, 2003, regarding issuance of contract notes/bills, statements of ledger/accounts in digital/electronic form and also to disseminate the same on the website for easy access to the Investor)I/We understand that I am required to intimate any change in the email id / email account mentioned herein above needs to be communicated by me through a physical letter to you, provided however that if I/we am/are an internet client then in that event the request for change in email id/ email account can be made by me/ us through a secured access using client specific user id and password. Please treat this authorization as written ratification of my /our verbal directions / authorizations given and carried out by you earlier. I/We shall be liable for all losses, damages and actions which may arise as a consequence of your adhering to and carrying out my/our directions given above.

If there is any change in the name & in my/our email ID in the residential/correspondence address, the same shall be intimated to you in writing within reasonable period of time.

Thanking you,

Yours faithfully,

**Client Name**

Signature 

(Note : To be signed by person himself/herself not to be signed by his/her attorney/authorised person etc.)

## DECLARATION

I / We having complied with the requisite formalities, as prescribed, for being a Client, have opened a trading account with Multigain Securities Services Pvt Ltd.

I / We am/are regular investor in the stock markets in India.

I / We am / are conversant with the laws, practices, rules, regulations, guidelines, Circular, etc. including, but not limited to those prescribed by the Securities and Exchange Board of India (SEBI), Reserve Bank of India (RBI) National Stock Exchange of India Limited, (NSE) and/or Bombay Stock Exchange Ltd., (BSE) and/or MCX-SX Stock Exchange Ltd. (MCX-SX) and/or United Stock Exchange of India Limited, (USE). I also undertake to keep myself informed and understand the implications of any changes that are made to such laws, practices, rules, regulations, guidelines, Circular, etc

I give an undertaking that I shall not deal with Multigain Securities Services Pvt Ltd. in any prohibited manner.

I understand that I have been advised to not to take any investment advice from any of the employees or associates of Multigain Securities Services Pvt Ltd., and in case I do so, despite the advice against the same, I shall be acting at my exclusive risk and responsibility.

I agree to accept any measures, which in the opinion of Multigain Securities Services Pvt Ltd., are required to enhance security procedures, in relation to my account & trading.

Multigain Securities Services Pvt Ltd. may, though it is not bound to, create voice-logs by recording the conversation made, while placing any orders by me, and such voice logs, wherever available, shall be the conclusive proof of the dealings made by me.

I / We hereby further declare that I am holding the Shares in my Demat Account No. \_\_\_\_\_ with DP \_\_\_\_\_

I / We hereby further declare that I / We will not give any third party shares for settlement of my obligations to the Exchange.

**I / We hereby further declare that I / We will not receive or give any money in cash or in kind for fulfilling Completing the settlement obligations to the Exchange.**

I / We hereby further declare that I am / We are not party to any illegal practices that may be prevalent in the Stock Market. I/We hereby further declare that I/We will not carry out any unfair trade practices such as Synchronized deals, Structured deals, Circular Trading in the Capital Market and Future and Options segment.

I/We hereby further declare that I/We will not place any order on the Exchange which will reflect as an arrangement for profit or loss transactions. All the orders placed on the exchange will be in the normal market where there is a corresponding underlying securities position in the cash or futures segment of the respective Exchange.

I/We agrees that any securities pledge by me/us as margin may in turn be placed as margin by the Trading Member with the Exchanges or banks or such other institutions as the Trading Member may deem fit. The Client authorises the Trading Member to do all such acts, deeds and things as may be necessary and expedient for placing such securities with the Exchanges/banks/Institutions as margin.

I/We hereby further declare that I/We am/are aware of the provisions of the **Prevention of Money Laundering Act 2002 (PM LA)** as far as they concern me/us as an investor / client and I/we declare that I / we have never been convicted / barred from dealing in securities market in the past under the said Act.

I/we confirm that I am / We are in compliance with the "Know Your Client" (KYC) guidelines including conducting due diligence required for Anti Money Laundering (AML) checks as prescribed by the FIU / SEBI. I/We further confirm that all KYC and due diligence process has been followed on a continuous basis as long as our account continues to be held with Trading Member. Further I/We agree to submit / provide all the statutory documents / other compliance details pertaining to my / our trading account whenever required, to fulfil my / our obligation under PMLA.

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

I/We understand that Multigain Securities Services Pvt Ltd shall not be responsible of any losses, costs or damages resulting directly or indirectly from the below mentioned circumstances:

- (i) any action, omission, suspension or trading, decision or ruling or any exchange or regulatory, governmental or other body or of any other person which is beyond the Trading Member's control (including floor broker, exchange, dealing or clearing house).
- (ii) any war, strike, lock-out, national disaster, act of terrorism, delay in postal service or any other delay or inaccuracy in the transmission of orders of other information, or telecommunication or computer system.

(iii) I/We further understand that the above Force Majeure events do not exempt me/us to fulfill the obligations in my/our account. I/We hereby give this declaration to you without any coercion with sound mind and voluntarily to you which shall be part of my Client Registration Form and Member Client Agreement executed on the dates mentioned therein.

Client Name

Signature



## PLEDGE AUTHORISATION

To,  
**Multigain Securities Services Pvt. Ltd.**

Date | | | - | | | - | | | |

Dear Sir,

## Authorisation to Pledge My / Our Client's Securities

I / We intend to trade/invest in the Securities Market on a regular basis through you and have accordingly completed the formalities of client registration by executing the Client Registration Kit and other Agreements/Documents such as the Member Client Agreements, Client Registration Forms, Risk Disclosure Documents, authorizations, etc. which have been accepted/agreed by me/us. I / We have also been allocated the client code for dealing in the respective segments of the Stock Market in NSE/BSE/MCX-SX/USE from time to time.

Before making the said application to get registered as a client with you, I / We hereby confirm that I / We have gained the requisite knowledge and experience and awareness of the trading norms/ settlement/margin norms prescribed by the respective exchanges and shall continue to be abreast with the changes that may occur in the near future to enable me/us to sufficient to carry-out the transactions, intended by me/us, and accordingly I /We understand that in order to avail certain facilities and optimize the use of my/our financial resources in the form of funds and/or securities, I / We hereby agree and allow you to Pledge the securities belonging to me/us and held in your Beneficiary Owner's Account towards the further exposure and/or settlement obligations of NSE/BSE/MCX-SX/USE in respective segments.

Accordingly I / We do hereby irrevocably authorize you to Pledge the securities belonging to me/us, held in your Beneficiary Account, for margin/settlement obligations and/or for any other reason whatsoever, without any reference to me/us.

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

Signature



## SET-OFF / LIEN AND SHARING OF INFORMATION

To,  
**Multigain Securities Services Pvt. Ltd.**

Date | | - | | - | | |

Dear Sir,

With respect to the member client Agreement executed between us, we authorize you as under:

### Right to exercise Set-Off / Lien and sharing of information

I/We \_\_\_\_\_ an individual/ a sole  
proprietary concern / a partnership firm / a body corporate / Trust, registered / incorporated, under the provisions of the Indian  
Partnership Act, 1932 / the Companies Act, 1956 or any relevant Act, having my / our residence / registered office at

\_\_\_\_\_(hereinafter referred to as the "Client").

That I/We, am/are a Client of **Multigain Securities Services Pvt Ltd** and have executed a Member - Client Agreement with the aforesaid company for investing / trading in securities / permitted for dealing on the respective Exchanges and also for investing/trading in those contracts admitted/permitted for dealing on the Derivatives Market segment of the respective Exchanges.

That in respect to the aforesaid agreements, I/We hereby authorize MULTIGAIN to exercise the right to set off the balances in my/our accounts with MULTIGAIN in any segment/exchange with respect to monies and commodities, securities or other property, which MULTIGAIN may hold on my/our account, shall be held subject to a general lien for the discharge of my/our obligations to MULTIGAIN under these agreements. The right of lien and set-off conferred to MULTIGAIN by me/us are as follows:

All securities in the demat account opened (if any) with the depository Participant, and in beneficiary A/c shall be subject to lien for the discharge of any or all payments due to MULTIGAIN from me/ us or any other obligations to MULTIGAIN and may be held by MULTIGAIN as a security against default by me/ us in respect of the services already availed of by me/us from MULTIGAIN.

The enforcement of the lien aforementioned shall be at the sole and complete discretion of MULTIGAIN. I/We agree that MULTIGAIN shall have the right of set-off amongst all trading account/(s) maintained by me/ us with MULTIGAIN.

The right of set-off as aforesaid shall extend to my/our trading accounts with respect to all broking transactions with associated concerns, affiliates or sister concerns of MULTIGAIN as though such accounts are maintained with MULTIGAIN.

In case of debit balance in my account, if it is not paid by me as per the settlement schedules you are authorized to sell/pledge at any point of time the securities purchased by me in previous settlements. If Loss/Profit occurs on this transaction it will be treated as normal sale or purchase, and I am agreeing to pay the balance amount if any.

I/we agree that MULTIGAIN may share the information provided by me/us pertaining to my trading and demat account to it's sister concerns/group concerns/associates as and when required.

Furthermore, the aforesaid lien / set-off conferred on MULTIGAIN shall subsist even after the termination of the aforesaid Member - Client Agreements with MULTIGAIN until all obligations under the said agreements are satisfied fully by me/us.

Thanking you

Yours faithfully,

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

Signature



## UNDERTAKING TO ACT IN OWN CAPACITY

To,

**Multigain Securities Services Pvt. Ltd.**

Regd. Office : H-50, Laipat Nagar, Moradabad-244001

Date | | - | | - | | |

I/we hereby solemnly affirm and declare as under: That my registration with MULTIGAIN SECURITIES SERVICES PVT LTD (MSSPL) is in individual capacity and is for transacting on my own account. And that no one except my self / our self has/have an interest in the account with MSSPL.

That shall not be acting further as an intermediary / sub-broker in any manner whatsoever for the transactions executed in any segment of any stock exchange(s) in my account with MSSPL.

That in the event of my transacting with MSSPL on account of holdings by family members & relatives, such act shall be done by me in my client account with MSSPL with due intimation and not be in the capacity of an intermediary/sub-broker. That in the above event all amounts/securities shall be effected from my account to MSSPL from such Bank and for DP account held by /belonging to me. That further state that if anybody on my behalf makes claims of any amounts/securities on account of the transaction in my account, the said act shall be null and void and shall be ineffective from all corners. In case MSSPL find that I am acting as an un-registered Sub-Broker, MSSPL can immediately cancel my account with them and adjust all Credit against my liabilities.

That I shall duly intimate any change in the status of my registration with MSSPL and only with due permission under the prevailing regulatory/exchange regulations shall intimate any intermediary/sub-broking activity. I understand that this client registration is granted by MSSPL for transactions carried out in the nature and manner mentioned in point 1 & 2. That I shall inform MSSPL any of my registration in any capacity with any other member of the exchanges(s) to transact on the same segment as at MSSPL. That this is my irrevocable statement and shall continue to apply until my trading right with MSSPL is terminated.

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

Signature





### FORMAT OF NRI CLIENT CODE APPLICATION TO BE SUBMITTED BY NRI TO THE CLEARING MEMBER

To,  
**Multigain Securities Services Pvt. Ltd.**  
 Regd. Office : H-50, Laipat Nagar, Moradabad-244001

Date | | - | | - | | |

**SUB: APPLICATION FOR THE ALLOTMENT OF NRI CODE.**

I wish to appoint you as my Clearing Member for clearing and settlement of trades done on the futures and options segment of NSE/BSE/MCX-SX/USE. My details are as follows:

Name (as appearing in Passport):.....

Passport No.: .....

NRO Bank Account No.: .....

Telephone No.: ..... E-mail : .....

Current/ Foreign Address:.....

Pin Code.....

Permanent Address in India:.....

Pin Code.....

We request you to kindly get an NRI client code allotted by NSE/BSE/MCX-SX/USE/NSCCL for the same.

I undertake that all the trades executed through the above allotted NRI Client code will be on my\* behalf.

(\*If the NRI Client code application is for an HUF then the details of the Karta (Manager) has to be given in the application and in the undertaking should be provided as follows: "I undertake that all the trades executed through the above allotted code will be on behalf of HUF")

Yours sincerely,

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

Signature 

### FORMAT OF NOC LETTER TO BE SUBMITTED BY BROKER'S/EXCHANGE'S EMPLOYEE

To,  
**Multigain Securities Services Pvt. Ltd.**  
Reqd. Office : H-50, Laipat Nagar, Moradabad-244001

Date | | | - | | | - | | | |

This is to state that ..... S/o/D/o.....

R/o.....

.....is employee with this company  
and we have no objection if the said person opens an account for trading purpose with your company.

Yours faithfully

(Employer Signature)

## AUTHORISATION LETTER FOR AUTHORISED PERSON

To,  
**Multigain Securities Services Pvt. Ltd.**  
Regd. Office : H-50, Lajpat Nagar, Moradabad-244001

Date 

		-			-				
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Multigain Securities Services Pvt. Ltd. Date    -    -   

## SUB.: AUTHORITY LETTER FOR AUTHORISED PERSON

Dear Sir,

I/we have been/ shall be dealing through you as my / our broker on the Capital Market and/ or Futures & Options and/ or Currency Derivatives Segments. As my / our Broker i.e. agent I/we direct and authorize you to carry out trading / dealings on my / our behalf as per instructions given below. Please treat these instructions as written ratification of my / our verbal directions/ authorizations given and carried out by you earlier.

I /we authorise Mr. / Ms.....to deal / transact on my / our behalf and to place orders, give instructions, make and receive payments of securities and monies, collect contract notes, bills, order confirmations, trade confirmations, account statements and any other documents or communication, to sign any document, settle the account, enter into any compromise and to do any and all act (s) on my/our behalf which I/we can do. And I /we the undersigned do hereby agree and declare and confirm that all the acts and things done by him/her or his/her substitutes shall be my / our acts, deeds and things validly done by me/ us to all intents and purposes.

Please treat this authorization as written ratification of my/our verbal directions / authorizations given and carried out by you earlier. I/We agree to indemnify you and keep you indemnified against all losses, damages and actions which you may suffer or face as a consequence of adhering to and carrying out my / our directions given above.

Thanking you,

Yours faithfully

Signature 

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

## AUTHORISATION LETTER ORDER INSTRUCTIONS

To,  
**Multigain Securities Services Pvt. Ltd.**  
Regd. Office : H-50, Lajpat Nagar, Moradabad-244001

To, \_\_\_\_\_ Date | | - | | - | | | |

## SUB: AUTHORITY LETTER FOR ORDER INSTRUCTIONS

Dear Sir,

I/ we have been / shall be dealing through you as my broker on the Capital Market and/ or Futures & Options and/ or Currency Derivatives Segments.

I/we understand that you require written instructions for receiving / modifying / cancelling orders. However, since it is not practical to give written instructions for order, I hereby authorize you to kindly accept my / my authorised representatives' verbal instructions / orders in person or over phone and execute the same. I/we understand the risk associated with verbal orders and accept the same, and agree that I/we shall not be entitled to disown orders under the plea that same were not under mine/our instructions.

## Thanking You

Yours faithfully

Signature 

**Client Name**

## AUTHORISATION LETTER FOR VERBAL ORDER INSTRUCTIONS

To,  
**Multigain Securities Services Pvt. Ltd.**  
Regd. Office : H-50, Lajpat Nagar, Moradabad-244001

Date  -  -

I / we have been / shall be dealing through you as my broker on Stock Exchanges such as NSE / BSE / MCX-SX / USE.

I / we understand that you require written instructions for receiving / modifying / canceling orders. However, since it is not practical to give written instructions for order, I hereby authorize you to kindly accept my / our authorized representatives' verbal instructions / orders in person or over phone and execute the same. I / we understand the risk associated with verbal orders and accept the same, and agree that I / we shall not be entitled to disown orders under the plea that same were not under mine / our instructions.

Please treat this authorization as written ratification of my / our verbal directions / authorizations given and carried out by you earlier. I / We agree to indemnify you and keep you indemnified against all losses, damages and actions which you may suffer or face as a consequence of adhering to and carrying out my / our directions given above.

There shall be no question in relation of execution or non-execution or inappropriate execution of any of the order for a particular day after accepting the trade confirmation / contract note.

Yours Faithfully

Signature 

Client Name

## DECLARATION FOR MOBILE NO. & E-MAIL ID

I, .....having PAN No. ....do hereby declare that my mobile no. is .....and my Email Id. .... Further, I authorize MULTIGAIN that the same may be used for giving me any information/alert/sms/call.

I further declare the above mentioned statement is true and correct.

(Signature of Client)

Verified by (to be done by Multigain)

Signature 

Client Name

Date  -  -

## CLIENT DEFAULTER DECLARATION

Date  -  -

I, \_\_\_\_\_ having PAN no. \_\_\_\_\_ do hereby declare that I have not been involved in any terrorist activity and I have not been declared as defaulter or my name is not appearing in defaulter database as per SEBI/ Various Exchanges/ Regulatory bodies/CIBIL (Credit Information Bureau of India Ltd.) etc.

I further declare that the above mentioned declaration/statement is true and correct.

Signature 

Client Name

## UNDERTAKING OF NON PENDENCY OF ANY LITIGATION

To,  
**Multigain Securities Services Pvt. Ltd.**  
Regd. Office : H-50, Lajpat Nagar, Moradabad-244001

I/We \_\_\_\_\_ son/daughter/wife/Partner/Prop./Karta/Director of \_\_\_\_\_  
resident / Regd. Office at \_\_\_\_\_

Do hereby declare that I have not been convicted of any offence and presently I/we am/are not on trial for any offence involving fraud or dishonesty of any kind.

Signature  \_\_\_\_\_

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

Date \_\_\_\_ - \_\_\_\_ - \_\_\_\_

## ADJUSTMENT OF FUNDS

To,  
**Multigain Securities Services Pvt. Ltd.**  
Regd. Office : H-50, Lajpat Nagar, Moradabad-244001


Date \_\_\_\_ - \_\_\_\_ - \_\_\_\_

### SUB.: ADJUSTMENT IN DIFFERENT SEGMENTS & EXCHANGES

Dear Sir,

Notwithstanding anything contrary contained in the agreement between us, I/We hereby inform you that I/We have executed/ desire to execute an agreement with Multigain Securities Services Pvt. Ltd. For trading on NSE/BSE/MCX-SX/USE and or any other Exchange in cash and derivatives segment. I/ We hereby request you to treat the agreement between ourselves and the agreement entered/ to be entered by me / us with Multigain Securities Services Pvt. Ltd. As co-extensive and hereby authorize you to transfer, made adjustments and / or to set off a part or whole of the securities placed as margin and / or any surplus funds in any of my accounts (s) maintained with you against the outstanding dues payable if any, by me / us in any of my / our account (s) maintained with Multigain Securities Services Pvt. Ltd. or any other associated / sister concern or vice versa. You and I/ We or Multigain Securities Services Pvt Ltd. Shall have the right of lien on the credit balance in any of my / our accounts irrespective of whether it is maintained with you or with Multigain Securities Services Pvt Ltd. Any entries passed by you in accordance with this authorization shall be binding on me / us this undertaking will be a part and parcel for all that associated companies and no need of separate undertaking will required.

Yours Faithfully

Signature  \_\_\_\_\_

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

Stamp in case of non individual)

RELATED PERSON					

To,  
**Multigain Securities Services Pvt. Ltd.**  
Regd. Office : H-50, Lajpat Nagar, Moradabad-244001

Please tick the appropriate box

I, being a client of MULTIGAIN SECURITIES SERVICES PVT LTD, hereby declare as under:

- ☐ I am not a Member/Broker of any Stock Exchange; or
- ☐ I am a Member/Broker of following Stock Exchange/s
- ☐ I am neither a Sub-Broker nor affiliated in any other capacity to any Member/Broker of any Stock Exchange
- ☐ I am a Sub-Broker affiliated to following Member/Broker of Stock Exchange/s
- ☐ I am not an employee of any Stock Broker, Sub-Broker or any Stock Exchange.
- ☐ I am employed by the following Stock Broker/ Sub-Broker/Stock Exchange.

I/we do hereby declare that I am/we are a Stock Broker / Sub-broker of the \_\_\_\_\_ (name of the Stock Exchange where client is a member) and in this regard pursuant to SEBI circular SEBI/MIRSD/ CIR - 06/2004 dated January 13, 2004, I/we hereby confirm that.

1. I/we have intimated the said Exchange of my/our intention to open a trading account with Multigain Securities Services Pvt.Ltd. only for the purposes for my/our proprietary trades (acknowledged copy of intimation letter is attached herewith).
2. I/we do not have trading account with any other Stock Broker/Sub-broker of any recognized Stock Exchange other than the above and we do hereby declare that I/we am/are not in any capacity connected to any other recognized stock exchange.

## Thanking You

Yours faithfully

Signature



Client Name

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32

## (a) TRADING TECHNICAL AND DERIVATIVES RESEARCH (TTD)

Caution: Trading in the derivatives segment or in the capital market segment using technical charts or short term indicators (trading calls) is a high risk and requires skill, experience and knowledge of the capital markets. Certain transactions including those involving futures, options and other derivatives as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. STOP LOSS ORDERS help limit loss but even placing contingent orders, such as "stop-loss" or "stop-limit" orders will not necessarily limit your losses to the intended amounts, and it is important that only a small portion of your corpus is allocated to such trading.

Leverage can lead to large losses as well as gains. You may sustain a total loss of the initial margin funds and any additional funds that you deposit with us to establish or maintain a position, and you incur losses beyond your initial investment.

### TERMS AND CONDITIONS

Multigain Securities Services Pvt. Ltd. (MSSPL) will, at its discretion, provide its trading call, technical and derivatives reports as also market news to its clients either in the form of a written market commentary or research report sent in e-mail, fax form, SMS or through postal or courier service. A brief extract of the TTD reports may also be sent, on enrolment, in SMS, e-mail or fax form.

#### **To avail of TTD reports, clients are required to understand and confirm/accept the following:**

1. Clients have read and understood in full the terms and conditions contained in the member client agreement and risk disclosure documents provided therein. Clients are also to read and understood the important disclosures and disclaimers forming part of each report.
2. TTD reports are for the general information of clients of MSSPL. They do not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of the individual clients.
3. No information published in TTD Reports constitute a solicitation or offer, or any kind of recommendation, to buy or sell any investment instruments, to effect any transactions, or to conclude any legal act of any kind whatsoever and the risk of loss on the basis of information published in TTD reports can be substantial. Clients should, therefore, carefully consider whether such trading is suitable for them in light of their circumstances and financial resources.
4. The information published and opinions expressed are provided by MSSPL for personal use and for informational purposes only and are subject to change without notice, MSSPL makes no representation (either express or implied)

that the information and opinions expressed in TTD Reports will be accurate, complete or up to date. Clients should obtain advice from a qualified expert before making any trading decision. The stated price of any securities mentioned in TTD Reports will be as of the date indicated and is not a representation that any transaction can be effected at this price. Neither MSSPL nor other persons shall be liable for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including lost profits arising in any way from the information contained in TTD Reports.

5. MSSPL will exercise due diligence in checking the correctness and authenticity of the information contained in TTD Reports, but MSSPL or any of its affiliates or directors or officers or employees shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in TTD Reports or any action taken on basis of TTD Reports. Price and value of the securities forming part of TTD Reports may go up or down. Past performance is not a guide for future performance.
6. MSSPL may use brand names for all or any of TTD reports. Such names would represent the brand and not the nature or feature of TTD reports.
7. TTD reports will include commentary on derivatives trading, technical analysis and limited review of stocks and may not be based on comprehensive or fundamental of the stocks.
8. MSSPL has two independent equity research groups: Institutional Equities Research Group and Private Client Group. The Private Group is responsible for the preparation of TTD Reports. A designated team from the Private Research Group also prepares reports based on fundamental evaluation of companies. The views and opinions expressed in TTD Reports may or may not match or may be contrary with the views, estimates, rating, target price, of reports of the Institutional Equities Research Group and Private Client Group dealing in fundamental research. Further, there may be a contrary view within the TTD Reports with regard to estimates, rating, target price as evaluation are based on different criteria.
9. The contents of the TTD Reports cannot be copied, reproduce, republished, uploaded, posted, transmitted or distributed for any non-personal use without obtaining prior permission from MSSPL.
10. The proprietary trading and investment businesses of the Globe Group may make investment decisions that are



inconsistent with the views expressed in the TTD reports.

11. MSSPL and its affiliates, officers, directors, and employees world wide may: (a) from time to time, have long or short positions in, and buy or sell the securities thereof, of company(ies) mentioned in the TTD Reports or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a advisor or lender/borrower to such company (ies) or have other potential conflict of interest with respect to any view and related information and opinions mentioned in TTD Reports.
12. MSSPL reserves the option to provide all or any of the TTD reports and the right to suspend or vary the whole or any part of the same for any reason, at any time at its sole discretion.

13. Clients who enroll for SMS/e-mail/Fax delivery of brief extract of TTD reports are required to read the full reports.
14. MSSPL does not guarantee completeness, error, delay, interruption or timeliness or delivery in whole or in part of any of the TTD reports or their extracts. The same is provided on an "as-is" and "as-available" basis.
15. Users should check with their service providers/operator for charges, if any.

#### **CLIENT ACCEPTANCE**

I/We hereby acknowledge that, MSSPL may at its discretion, at may/our request provide me/us with TTD Reports or its brief extract. I/We have made the request after understanding and accepting its terms, conditions and risks set forth above.

Client Name

Date

Signature



## FUNDAMENTAL RESEARCH TERMS AND CONDITIONS

Multigain Securities Services Pvt. Ltd. (MSSPL) will, at its discretion, provide its company research reports/news, results and event updates / sector reports monthly commentary / regular compendium (together "Reports") to its clients either in the form of a written market commentary or research report sent in e-mail, fax form or SMS or through postal or courier service. A brief extract of the reports may also be sent, on enrolment, in SMS, e-mail or fax form.

To avail of reports, clients are required to understand and confirm/accept the following:

1. Clients have read and understood in full the terms and conditions contained in the member client agreement and risk disclosure documents provided therein. Clients are also to read and understand the important disclosures and disclaimers forming part of each report.
2. The reports are for the general information of clients of MSSPL. They do not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of the individual clients.
3. No information published in Reports constitute a solicitation or offer, or any kind of recommendation, to buy or sell any investment instruments, to effect any transactions, or to conclude any legal act of any kind whatsoever and the risk of loss on the basis of information published in reports can be substantial.  
Clients should, therefore, carefully consider whether such trading is suitable for them in light of their circumstances and financial resources.
4. The information published and opinions expressed are provided by MSSPL for personal use and for informational purposes only and are subject to change without notice. MSSPL makes no representation (either express or implied) that the information and opinions expressed in Reports will be accurate, complete or up to date. Clients should obtain advice from a qualified expert before making any trading decision. The stated price of any securities mentioned in Reports will be as of the date indicated and is not a representation that any transaction can be effected at this price. Neither MSSPL nor other persons shall be liable for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including lost profits arising in any way from the information contained in Reports.
5. MSSPL will exercise due diligence in checking the correctness and authenticity of the information contained in Reports, but MSSPL or any of its affiliates or directors or officers or employees shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in Reports or any action taken on basis of Reports. Price and value of the securities forming part of Reports may go up or down. Past performance is not a guide for future performance.
6. MSSPL may use brand names for all or any of reports. Such names would represent the brand and not the nature or feature of reports.
7. MSSPL has two independent equity research groups: Institutional Equities Research Group and Private Client Group. The Private Group is responsible for, the preparation of Reports. A designated team from the Private Research Group also prepares reports based on fundamental evaluation of companies. The views and opinions expressed in TTD Reports may or may not match or may be contrary with the views, estimates, rating, target price, of reports of the Institutional Equities Research Group and Private Client Group dealing in fundamental research. Further, there may be a contrary view within the Reports with regard to estimates, rating, target price as evaluation are based on different criteria.
8. The contents of the Reports cannot be copied, reproduce, republished, uploaded, posted, transmitted or distributed for any non-personal use without obtaining prior permission from MSSPL.
9. The proprietary trading and investment businesses of the MSSPL may make investment decisions that are inconsistent with the views expressed in the reports.
10. MSSPL and its affiliates, officers, directors, and employees world wide may:
  - (a) from time to time, have long or short positions in, and buy or sell the securities thereof, of company(ies) mentioned in the Reports or
  - (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a advisor or lender/borrower to such company (ies) or have other potential conflict of interest with respect to any view and related information and opinions mentioned in Reports.
11. MSSPL reserves the option to provide all or any of the reports and the right to suspend or vary the whole or any part of the same for any reason, at any time at its sole discretion.
12. Clients who enroll for SMS/e-mail/Fax delivery of brief extract of reports are required to read the full reports.
13. MSSPL does not guarantee completeness, error, delay, interruption or timeliness or delivery in whole or in part of any of the reports or their extracts. The same is provided on an "as-is" and "as-available" basis.
14. Users should check with their service providers/operator for charges, if any.

### CLIENT ACCEPTANCE

I/We hereby acknowledge that, MSSPL may at its discretion, at may/our request provide me/us with TTD Reports or its brief extract. I/We have made the request after understanding and accepting its terms, conditions and risks set forth above.

## NOTICE ON IMPORTANT ISSUE

- We draw your attention to certain important issues relevant to your trading activity through us; you must read, understand and agree to abide by the advice given hereunder in respect to the dealings between us. Kindly sign at the end of this document to signify your understanding and acceptance of the matters notified to you herein.
- We do hereby inform and notify you that unless otherwise specifically agreed by us in writing, our services do not go beyond the scope as mentioned in the documents executed between us, accordingly the role envisaged to be played by Multigain Securities Services Private Limited is restricted to facilitating, only and only as a stockbroker, the execution of transactions intended to be executed by you on your own risk and responsibility and as considered suitable by you, taking into consideration, your risk bearing capacity.
- Further you are also informed that none of the employee or agent of Multigain Securities Services Private Limited is authorized to offer any investment advice, and therefore you are advised to refrain from seeking or place reliance on the advice from any such person. If despite this Notice, you choose to seek and rely on any advice, offered by any person, whether related or unrelated to Multigain Securities Services Private Limited in any manner, you shall be doing so at your own risk and responsibility, and the dealings between you and the person offering the advice shall be absolutely personal between you and such person, for which Multigain Securities Services Private Limited will not assume any liability.
- We also reiterate here that the Stock Market is a highly volatile and unpredictable market and it is impossible for anyone to predict the future developments in the marketplace, therefore anyone assuring you any returns should not be relied upon by you. Further you are also advised to not to allow or authorize any person to trade on your behalf, in expectation of any assured profit, and must understand that where you authorize or allow any person to trade on your behalf, you would be entering into a "Principle-Agent" relationship with such person and therefore be entirely responsible for his actions, whether resulting into "Loss" or "Profit".
- Multigain Securities Services Private Limited also conducts research on various activities of the Stock Market and wherever considered appropriate, shares the knowledge and opinion derived from such research with its Clients and others desirous of receiving such information, however as our Client, you must understand that such information is only a general opinion of Multigain Securities Services Private Limited, which is not designed for, or takes into consideration, the factors specific to your risk bearing capacity and perception. You are therefore advised to rely only and only on your own judgment while taking any investment and/or trading decisions. The research reports provided by us are only an expression of the opinion of the concerned researchers; it is neither any advice intending to encourage you to undertake any activity nor any offer to sell or a solicitation to buy any securities. As our client you must also read our opinion published on any website or publications, keeping in mind the contents of this notice to you. Further in order to benefit from the research carried out on its behalf, Multigain Securities Services Private Limited, its directors or its employees may, at their sole discretion may acquire positions in the scrips which are the subject matter of such research.
- Client agree that Multigain ( Member ) will not be responsible if any, included, not limited, its officers, directors, employee, agents, affiliates, associates, representatives commit for return guarantee / principal amount guarantee. Client assumes full responsibility with respect to his investment decisions and transaction.
- The cash transaction prohibited by Member / Exchange / Regulatory Authority Label, There is no liability of Member if the client makes any cash dealing, with, including,
- but not limited, any employee, agents, affiliates, associates, representatives.
- Client agree that Multigain will not be responsible if client handover Cash / Blank Delivery Instruction Slip/any type of Securities to Member and its officers, directors, agents, affiliates, associates, representative, the client shall hold full responsibility of it.
- **Margin Money** As per exchange (as required by exchange time to time) **Mark to Mark Loss** ( MTM)-MTM Loss, if any has to be paid on daily basis.
- **Delay in payments**- In case of delay in payment, the company will charge 0.07% as (per day) penalty on the total debit balance.
- **Statement of account** - All account reports are available on website back office. Hard Copies of any report will be given at a nominal charge of Rs. 5/- per page subject to minimum of Rs.10/- for others (other than normal requirement).
- **Documentation Charges**-The Company will charge Rs.20/- as documentation shares for each account in addition of stamp paper charges .
- **Postage Charges**- The Company will charge minimum or Rs. 10/- for any local courier and Rs. 25/- for others.
- **Declaration by Client**
- I have read and understood the contents of the above notice, and state that I have no objection to anything mentioned therein and do also hereby agree to abide by the advice offered in the Notice.

### CHECK LIST FOR CLIENT REGISTRATION FORM

FORM RECEIVING DATE : ACCOUNT OPENING DATE : TM DP	BRANCH CODE : GROUP CODE :	CLIENT CODE TM : DP :
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1.	CHECKING DETAILS	YES	REMARKS
a)	Name as it appears on the ID & Address Proof (in capital letter)		
b)	Signature of Client on all pages and wherever necessary (Witness wherever required) <input type="checkbox"/>		
c)	Signature Checked and Verified.		
d)	Photograph (duly signed) <input type="checkbox"/>		
e)	A copy of PAN Card (Self Attested) <input type="checkbox"/>		
f)	Address Proof (Self Attested) <input type="checkbox"/>		
g)	Bank Proof containing Client Name (Self Attested) <input type="checkbox"/>		
h)	Demat Account Proof (Self Attested) <input type="checkbox"/>		
i)	Stamp Paper : NSE <input type="checkbox"/> BSE <input type="checkbox"/> MCX-SX <input type="checkbox"/> USE <input type="checkbox"/> POA <input type="checkbox"/>		
j)	Brokerage : Intra Day _____ Min _____ Delivery _____ Min _____ F&O Intra Day _____ EOD _____ Option _____		
k)	Exchange given : <input type="checkbox"/> NSE CM <input type="checkbox"/> NSE F&O <input type="checkbox"/> NSE Currency <input type="checkbox"/> BSE CM <input type="checkbox"/> BSE F&O <input type="checkbox"/> MCX-SX Currency <input type="checkbox"/> USE Currency		
2.	Franchisee and Client to be informed if any of the above detail is missing or invalid by _____ Date _____ Time _____		
3.	Details Punched in Computer by TM _____ DP _____		
4.	Cross Checking done by TM _____ DP _____		
5.	UCC UPLOADED : NSE <input type="checkbox"/> BSE <input type="checkbox"/> MCX-SX <input type="checkbox"/> USE <input type="checkbox"/> <input type="checkbox"/> ENTERED IN FORM DATA		
6.	<b>BACK OFFICE WEB LOGIN</b> User Name ID _____ Password _____		
7.	<b>DP WEB LOGIN</b> User Name ID _____ Password _____		
8.	Form sent to Surveillance by _____ Date : _____ Time : _____		
9.	<b>Client ID Mapping done by</b> _____ Branch ID _____ User ID: _____ Dealer ID : _____		
10.	<b>INTERNET TRADING</b> <input type="checkbox"/> Odin Diet <input type="checkbox"/> I-Net User ID _____ Password _____		
11.	Form sent to DP by _____ Date : _____ Time : _____		
12.	Client Instruction Book issued by		
13.	Client Account Status Report issued by		
14.	Form Returned to Compliance by _____ Date : _____ Time : _____		
15.	Kit Dispatched on _____ (Date)		



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