

**STOCK BROKER – CLIENT AGREEMENT (NSE)**

This agreement is made and executed at.....this.....day of.....20\_\_ between: M/s Jaypee Capital Services Limited, a body corporate, registered/incorporated under the provisions of the Companies Act, 1956, being a stockbroker of the National Stock Exchange of India Ltd. with SEBI Registration No. INB230813938 in the Cash Market and INF230813938 in the F&O Segment (hereinafter called “the Exchange”), and having his/her/its registered office at 1114/11th Floor, Naurang House, 21 K.G. Marg, New Delhi-110001 (hereinafter called “the Stockbroker”) And Mr./Ms/M/s.....an individual/ a sole proprietary concern/a body corporate, registered/incorporated under the provisions of the Indian Partnership Act, 1932/the Companies act, 1956, having his/her/its residence/registered office at.....(hereinafter called “the client”) 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 and their respective heirs, executors, administrators and legal representatives/its successors, as the case may be, of the Other Part:

**WITNESSES:**

WHEREAS the STOCK BROKER is registered as the trading stock broker of the National Stock Exchange of India Ltd. with SEBI registration number INB230813938 In the Cash Market and INF230813938 in the F&O Segment. WHEREAS the CLIENT is desirous of investing/trading in those securities/ contracts/other instruments admitted to dealings on the Exchange as defined in the Rules, Byelaws and Regulations of the Exchange and circulars issued there from time to time. WHEREAS the CLIENT has satisfied itself of the capacity of the stockbroker to deal in securities and/or deal in derivatives contracts and wishes to execute its orders through the stockbroker and the client shall from time to time continue to satisfy itself of such capability of the stock broker before executing orders through the stockbroker. WHEREAS the STOCKBROKER has satisfied and shall continuously satisfy itself about the genuineness and financial soundness of the client and investment objectives relevant to the services to be provided; and WHEREAS the STOCK BROKER has taken steps and 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. WHEREAS the STOCK BROKER and the CLIENT agree to be bound by all the Rules, Byelaws and Regulations of the Exchange and circulars issued there under and Rules and Regulations of SEBI and relevant notifications of Government authorities as may be in force from time to time. Now, therefore, in consideration of the mutual understanding as set forth in this agreement, the parties thereto have agreed to the following terms and conditions:

1. The client agrees to immediately notify the Stockbroker in writing if there is any change in the information in the ‘client registration form’ provided by the client to the stockbroker at the time of opening of the account or at any time thereafter.
2. The Stockbroker declares that it has brought the contents of the risk disclosure document to the notice of the client and made him aware of the significance of the said document. The client agrees that:
  - a. He has read and understood the risks involved in trading on a stock exchange.
  - b. He shall be wholly responsible for all his investment decisions and trades.

c. The failure of the client to understand the risk involved shall not render a contract void or voidable and the client shall be and shall continue to be responsible for all the risks and consequences for entering into trades in the segments in which the client chose to trade.

d. He is liable to 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.

e. 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 closing of its trade be obliged to pay (or entitled to receive) such further sums as the contract may dictate/require.

f. The client will pay or receive applicable daily margins.

g. The client shall deposit with the Stockbroker monies, securities or other property, which may be required to open and maintain his/her/its account with the Stockbroker.

**3.** The Client agrees to pay to the Stockbroker brokerage and statutory levies as are prevailing from time to time and as they apply to the Client's account, transactions and the services that the stockbroker renders to the Client. The Stockbroker agrees that it shall not charge the brokerage more than the maximum brokerage permissible as per the rules, regulations and bye-laws of the relevant stock exchange/SEBI.

**4.** The client agrees to abide by the exposure limits, if any, set by the Stockbroker or by the Exchange or Clearing Corporation or SEBI from time to time.

**5.** "Without prejudice to the Stock broker's other rights (including the right to refer a matter to arbitration), the Stock broker shall be entitled to liquidate/close out all or any of the" client's positions for non-payment of margins or other amounts, outstanding debts, etc. and adjust the proceeds of such liquidation/closeout, 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.

**6.** The Stockbroker agrees that the money/securities deposited by the client shall be kept in a separate account, distinct from his/its own account or the account of any other client and shall not be used by the Stockbroker for himself/itself or for any other client or for any purpose other than the purposes mentioned in SEBI Rules and Regulations circulars/ guidelines/Exchanges Rules/Regulations/Bye-Laws and circulars. However, the Stock broker's Right of General Lien available under Law shall be applicable to the accounts of the Client.

**7.** The client agrees to immediately furnish information to the Stockbroker 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.

**8.** The Stockbroker agrees to inform the client and keep him appraised about trading/settlement cycles, delivery/payment schedules, and 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.

**9.** 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 that the client has ordered to be bought or sold, the Stockbroker may close out the transaction of the client and claim losses, if any, against the estate of the client. The client or his successors, heirs and assigns shall be entitled to any surplus which may result therefrom.

**10.** The Stockbroker agrees that it shall cooperate in redressing the grievances of the client in respect of transactions routed through it and in removing objections for bad delivery of shares, the rectification of bad delivery, etc. in respect of shares and securities delivered/to be delivered or received/to be received by the client.

**11.** The Stock broker shall continue to be responsible for replacing bad deliveries of the client in accordance with applicable “Good & bad delivery norms” even after termination of the agreement and shall be entitled to recover any loss incurred by him in such connection from the client.

**12.** The Stock broker shall ensure due protection to the client regarding the 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 it may have had transactions in securities.

**13.** The client and the Stockbroker agree to refer any claims and/or disputes to arbitration as per the Rules, Byelaws and Regulations of the Exchange and circulars issued there under as may be in force from time to time.

**14.** The Stockbroker hereby agrees that he shall ensure faster settlement of any arbitration proceedings arising out of the transactions entered into between him and the client and that he shall be liable to implement the arbitration awards made in such proceedings.

**15.** Information about default in payment/delivery and related aspects by a client shall be brought to the notice of the relevant stock Exchange(s). In case “where the 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 to the relevant stock exchange( s).

**16.** The Stockbroker and the client agree to reconcile their accounts at the end of each quarter with reference to all the settlements where payouts have been declared during the quarter.

**17.** The Stockbroker and the client agree to abide by any award passed by the Ombudsman under the SEBI (Ombudsman) Regulations, 2003.

**18.** The Stockbroker and the client declare and agree that the transactions executed on the Exchange are subject to Rules, Byelaws and Regulations and circulars issued there under the Exchange 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 Exchange for the purpose of giving effect to the provisions of the Rules, Byelaws and Regulations of the Exchange and the circulars issued there under.

**19.** The Client agrees that he/she/it will not be compensated by the Stockbroker for any “lost opportunity” viz., notional profits on buy/sell orders which could not be executed or real loss from delay in executed orders due to any reason whatsoever including but not limited to time-lag in the execution of the order or the spread at which the system of the Stockbroker or of the Exchange is operating or the delay in stock queries or any shutting down by the Stockbroker of his system for any reason or the Stockbroker disabling the Client from trading on his system for any reason whatsoever. Further, the stockbroker does not warrant that the services will be uninterrupted or error-free. The service is provided on an ‘as provided basis’ without warranties of any kind.

**20.** Where the Exchange cancels trade(s) suo moto all such trades including the trade/s done on behalf of the client shall ipso facto stand cancelled.

**21.** This agreement shall forthwith terminate; if the Stockbroker for any reason ceases to be a stock broker of the stock exchange including cessation of stock broker ship by reason of the Stock broker's default, death, resignation or expulsion or if the certificate issued by the Board is cancelled.

**22.** The Stockbroker and the client shall be entitled to terminate this agreement 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 agreement 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.

**23.** In addition to the specific rights set out in this Agreement, the Stockbroker and the client shall be entitled to exercise any other rights which the Stockbroker or the client may have under the Rules, Bye-laws and Regulations of the Exchange and circulars issued there under or Rules and Regulations of SEBI.

**24.** Words and expressions which are used in this Agreement, 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 of the Exchange and circulars issued there under.

**25.** The provisions of this agreement shall always be subject to Government notifications, any rules, regulations, guidelines and circulars issued by SEBI and Rules, Regulations and Bye-laws of the relevant stock exchange that may be in force from time to time.

**26.** The Stockbroker hereby undertakes to maintain the details of the client as mentioned in the client registration form or any other information pertaining to the client in confidence and that it shall not disclose the same to any person/ authority except as required under any law/regulatory requirements; Provided however that the stock broker may so disclose information about its/his client to any person or authority with the express permission of the client.

**27.** The client agrees that he will not act as a sub-broker without prior permission from the stockbroker.

**28.** In case, where the payment by the client towards the margin is made through a cheque issued in favour of the stockbroker, any trade(s) would be executed by the stockbroker only upon the realization of the funds of the said cheques or at the discretion of the stockbroker.

**29.** The Stockbroker may at its sole discretion prescribe the payment of Margin in the form of Cash instead of securities. The Client accepts to comply with the Stockbrokers requirement of payment of Margin in the form of cash immediately failing which the Stockbroker may sell, dispose of, transfer or deal in any other manner the securities already placed with it as margin or square off all or some of the positions of the Client as it deems fit in its discretion without further reference to the client and any resultant or associated losses that may occur due to such square off/sale be borne by the Client, and the Stockbroker is hereby fully indemnified and harmless by the Client in this behalf.

**30.** Any reference in these terms to the sale or transfer of securities by the Stock broker shall be deemed to include the sale of the securities which form part of the Margin maintained by the client with the stockbroker. In the exercise of the Stock broker's right to sell securities under the agreement, the Client agrees that the choice of specific securities to be sold shall be solely at the Stockbrokers' discretion.

**31.** Types of services offered: The Stockbroker agrees to provide and the client agrees to avail of, the following services:

### **Trading Facilities**

### **Clearing Facilities**

And such other services as permitted by SEBI and the Exchange from time to time.

**32.** The client confirms having read and understood the terms and conditions of the Stock broker's Client Agreement and those relating to various services and products and accepts and agrees to be bound by the terms and conditions including those excluding/limiting the stock broker and Exchange's liability.

**33.** In case the Client buys securities in one settlement, and sells the same in a subsequent settlement, without having received the payout of the securities, any resulting auction/losses will be the sole responsibility of the client. This agreement can be altered, amended and/or modified by the parties mutually in writing without derogating from the contents of this agreement, provided, however, if the rights and obligations of the parties hereto are altered by virtue of a change in Rules and Regulations of SEBI or Bye-laws, Rules and Regulations of the relevant stock Exchange, such changes shall be deemed to have been incorporated herein in modification of the rights and obligations of the parties mentioned in this agreement.

**34.** Restrictions on access to Website and Training- client understands that the stock broker may at any time, at its discretion and without prior notice to the client, prohibit or restrict the Client's access to the use of the website or related Services and the Client's ability to trade. The Stockbroker may terminate the Client's account at any time for any reason and without any prior notice to the client. The client will bear any loss that he/she/it may be faced due to the inability to execute further trades on account of such restriction. The closing of an account will not affect the rights and /or obligations of either the stock broker or the Client incurred prior to the date the account is closed.

**35.** Under no circumstances shall the Stockbroker or involved in creating, producing, delivering or managing the Stock broker's Services be liable for any direct, incidental, special or consequential damages that result from the use of or inability to use service, delay in the transaction of any communication, in each case for any reason whatsoever (including on account break down in systems) or out of any breach of any warranty or due to any fraud committed by any person whether in the employment of the stock broker or otherwise.

**36.** Whenever the Stock broker deems it necessary for its protection in its sole and absolute discretion, or if, in the Stock brokers opinion, the Client has breached any material term of this Agreement or defaulted in respect of any transaction with the Stock broker or any related companies to which it is a party; or if any representation, warranty or undertaking made in this Agreement or in any document delivered to the stock broker pursuant to or in connection with this Agreement was when given or hereafter becomes incorrect in any material request; or for compliance with any rules or regulations of any relevant exchange or clearing house; or in the event that a petition in bankruptcy is filed against the Client or an order is made or resolution passed for the Client's voluntary or compulsory winding up or a meeting is convened for the purpose of considering a resolution that the Client should be so wound up; or in the event that a judicial declaration of incompetence is made in respect of the Client or the Client dies; or any warrant or order of attachment or distress or equivalent order is issued against any of the Client's accounts with the Stock broker or any related companies then all amounts owing by the Client to the stock broker shall become forthwith payable on demand and interest will accrue at the rate specified on amounts outstanding from time to time, and the Stock broker shall be entitled at its absolute desecration, without further notice or demand forthwith to : satisfy any obligation the CLIENT may have to the Stock broker (either directly or by way of guarantee or other

security) out of the sale or other realization, in the such manner and upon such terms as the Stock broker may in absolute discretion decide, of all or any part of any property held by the Stock broker and/or any related companies for any purpose in any account of the Client; “Cancel any open orders for the purchase and sale of Securities; sell any or all Securities long in any account of the Client; buy any or all Securities which may be short in any account of the Client and exercise its rights under any other provisions of this Agreement. The Stockbroker may apply the net proceeds after the deduction of all fees, costs and expenses (including legal costs) incurred in connection with the exercise of any such action referred to in this Clause in reduction of the Client then outstanding obligations or indebtedness to the Stockbroker, and/or any related companies. The Client shall at all times be liable for the payment upon demand of any debtor negative balance whatsoever and howsoever arising on an account (including in the event of any liquidation of any such account) together with any cost or expense (including legal costs on all full indemnity basis) incurred by the Stockbroker related to the exercise of its rights under this Agreement and for the payments upon demand of any debt or negative balance that may exist after the Stockbroker has exercised any of its rights under this Agreement. The Client hereby waives all claims and demands (if any) against the Stockbroker in respect of any loss, voluntary or otherwise, directly, arising from the exercise by the Stockbroker of the powers conferred by this clause, howsoever such loss may have been caused (other than through the willful misfeasance or negligence of the Stockbroker or the reckless disregard of the obligations of the Stockbroker under this clause), whether in relation to the timing or manner of the exercise of such powers or otherwise. The Stockbroker and/or any related companies may purchase the Securities or other assets which are subject to any sale made pursuant to this clause free from any right of redemption and neither the Stockbroker nor any related companies shall be accountable to the Client for any profits, charges or commissions received by any of them or their nominees or agents as a result of the exercise by the Stockbroker conferred pursuant to this clause, Information about default in payment/delivery and related aspects by a Client shall be brought to the notice of the stock exchange{s) in the case where defaulting Client is a corporate entity/partnership / proprietary firm or any other artificial legal entity, then the name(s) of the director(s)/ promoters (s)/ Partners(s)/ proprietor as the case may be, shall also be communicated to the relevant stock exchange{s) / other statutory authorities.

**37.** Certain policies and/or procedures may be further outlined on the Stock broker’s Web site and material/ literature and frequently asked questions (FAQ’S) provided to the Client. Through the use of the Stock broker’s Web site and Services, the Client agrees to be bound by any and such notices, policies and terms of doing business,

**38.** The Client confirms and agrees that it will be the sole authorized user of the User name, Password, Customer user Identification Number, Telephone Identification Number (T-Pin) or other identification or Security code by whatever name called, to be given to it by the Stockbroker to access Stock broker’s system or service through Stock broker web site, over the telephone or in such manner as may be permitted by the Stockbroker for availing of the service. The Client accepts sole responsibility for the confidentiality and protection of the User name Password, The Customer User Identification Number, T-Pin or other security code(s) as issued by the Stockbroker to the Client from time to time (hereinafter referred to as “security codes” as for all orders and information changes entered into the Client account using such security codes. The Client shall ensure that such security code(s) is/are not revealed to any third party. If the Client forgets the security code(s) a request for changes of such security code(s) should be sent to the Stockbroker in writing. On receipt of such request, the Stock broker shall discontinue the use of old security code{s) and shall generate new security code(s) for the Client which shall be communicated to the Client. However, the Client shall be responsible and liable for all transactions that are carried out by the use of only security code(s). Neither the Stockbroker nor any of its officers, directors, employees, agents, affiliates or subsidiaries will have any responsibility or liability to the Client or to any persons whose claim may arise with the respect to any of the circumstances described above.

**39.** The Client shall memorise the security code {s) and not record it in writing or electronic form. In the event that the Client does record the security code {s) in a written or electronic form he/she/it shall do so at his/her/its sole risk and responsibility.

**40.** Any order entered using the Client's security code{s) either through the website or through telephone or otherwise or demand to be that of the Client if third-party's gain access to Stock broker's services through the use of Client's security code{s) the Client will be responsible for the same. The Client shall indemnify and keep the Stockbroker indemnified and harmless Stock broker liability, costs or damages arising out of claims or suits by or against such third-party based on the retaliating to such access and use of security code since the primary responsibility for such transaction shall be that of the Client. The use and storage of any information including, without limitation, the password portfolio information transaction activity, account balances and other information or order on the Client's personal computer is at the Client's own risk and is the Client's sole responsibility.

**41.** The Client shall immediately notify the Stockbroker in writing, delivered, via e-mail & registered AD, if the Client becomes aware of any loss, theft or unauthorized use of the Client's security code(s) and account number or any failure by the Client to receive the confirmation of execution including the contract note for the same or any receipt by the Client of a confirmation of an order and/or execution which the Client did not place or any inaccurate information in the Client's account balance, securities position, or transaction history. In the case where the Client notifies such loss, theft or unauthorized use of the Client's Security code (s) password and account number to the Stockbroker, it shall suspend the use of the account of the Client; however the Client shall be responsible and liable for all transactions that are carried out by using the Client's password. When any of the above circumstances occur, neither the Stockbroker nor any of its officers, directors, employees, agents or subsidiaries will have any responsibility or liability to the Client or any other person whose claim may arise through the Client with respect to any circumstances described above.

**42.** The instructions issued by an authorized representative of the Client shall be binding on the Client in accordance with the letter authorizing the said representative to deal on behalf of the Client. The Client is aware that authentication technologies and strict security measures are required for Internet trading through order routed system and undertakes to ensure that the security code(s) of the Client and/or his/her/its authorized representative. In the event of the authorized representative (s) being replaced, it shall be the responsibility of the Client to inform the Stockbroker of the change in writing, failing which the Client shall be responsible for the trade obligations arising out of the actions of both the representatives old as well as the new representative. In the event of the authorized representative being replaced, it shall be the responsibility of the constituent to inform the Stockbroker of the change in writing, failing which the client shall be responsible for the trade obligations arising out of the actions of both the old representative as well as the new representative.

**43.** The Client hereby undertakes to ;

**i.** Place the initial and maintenance margin amounts as the stock broker may specify to the Constituent from time to time, subject to requirements specified by SEBI.

**ii.** Authorize retention of the shares with the Stockbroker upon the receipt of the same in the pay-out from the Stock exchange till the amount due in respect of the said transaction including the dues to the Stockbroker is paid in full by the Client.

**iii.** Pay the Stock broker-Brokerage, commission, fees, transaction costs, service tax, stamp duty and other taxes/expenses as are prevailing from time to time and as they apply to the Client's account, transactions and to the Services that the stock broker renders to the Constituent.

**iv.** Abide by any revision in any of the terms of this agreement as may be agreed between the parties.

**44.** The Stockbroker represents that on entering into this agreement and deposit of initial margin by the Client the Stockbroker undertakes to settle the obligation of the Stock Exchange for and on behalf of the Client. The Client hereby agrees and authorizes the Stockbroker to make such payments on his behalf.

**45.** The Client authorizes the Stockbroker to conduct at any time a credit enquiry or check on the Client for the purpose of ascertaining the financial situation and investment objectives of the Client and the Client shall provide such financial and other information to the Stockbroker as may be required by the Stockbroker from time to time.

**46.** The Stockbroker discloses herewith that it undertakes proprietary trading also in addition to Client based trading.

**47.** If any provisions of these terms 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 such invalid/unenforceable provisions or terms were not contained herein.

**48.** The CLIENT is aware that authentication technologies and strict security measures are required for internet trading through order routed system and undertakes to ensure that the password of the CLIENT and/or his authorised representatives are not revealed to any third party.

**49.** The CLIENT agrees that STOCK BROKER shall not be liable to responsible for the non-execution of the orders of the CLIENT due to any link/system failure at the CLIENT/STOCK BROKERS/EXCHANGE end.

**50.** The Stock Exchange may cancel a trade suo-moto without giving any reason thereof. In the event of such cancellation, STOCK BROKER shall be entitled to cancel relative contract(s) with CLIENT.

**51.** The STOCK BROKER shall also send the Order/Trade confirmation slip through E-mail to the CLIENT at his request, within such a time period as specified by the Client from time to time of execution of order/trade on the NEAT system, as the case may be. The CLIENT agrees that the information sent by STOCK BROKER by E-mail is deemed to be a valid delivery of such information by the STOCK BROKER.

**52.** The CLIENT is aware that the STOCK BROKER has provided on the website a facility for reconfirmation of orders, which are larger than that specified by the STOCKBroker's risk management, by STOCKBROKER and is also aware that the STOCKBROKER has the discretion to reject the execution of such orders based on his risk perception. This agreement can be altered, amended and /or modified by the parties mutually in writing without derogating from the contents of this Agreement. Provided, however, if the rights and obligations of the parties hereto are altered by virtue of a change in Rules and regulations of SEBI or Bye-laws, Rules and Regulations of the relevant stock Exchange, such changes shall be deemed to have been incorporated herein in modification of the rights and obligations of the parties mentioned in this agreement. IN WITNESS THEREOF the parties to the Agreement have caused these presents to be executed as of the day and year first above written.

For and on behalf of the Constituent

CLIENT NAME & SIGNATURE

**NAME :**.....  
.....

**SIGNATURE**

WITNESS

1)\*PLEASE AFFIX THE RUBBER STAMP IN CASE THE CONSTITUENT IS A NON-INDIVIDUAL ENTITY

For and on Behalf of Stock broker

STOCK BROKER'S NAME & SIGNATURE

**NAME :** JAYPEE CAPITAL SERVICES LIMITED  
:.....

**SIGNATURE**

WITNESS

1)

**STOCK BROKER - CLIENT AGREEMENT (BSE)**

This agreement is made and executed at..... this.....day of .....20- between: M/sJaypee Capital Services Limited, a body corporate, registered/incorporated under the provisions of the Companies Act, 1956, being a stockbroker of The Bombay Stock Exchange Limited with SEBI Registration No. INB010813930 in the Cash Market Segment and INF 010813930 F&O Segment (hereinafter called “the Exchange”), and having his/her/its registered office at 1114/11th floor, Naurang House, 21 , K. G. Marg, New Delhi-11 0 001 (hereinafter called “the Stockbroker”) And Mr./Ms/M/s....., an individual/a sole proprietary concern/a partnership firm/a body corporate, registered/incorporated, under the provisions of the Indian Partnership Act, 1932/the Companies Act, 1956, having his/her/its residence/ registered office at.....(hereinafter called “the client”) 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 and their respective heirs, executors, administrators and legal representatives/its successors, as the case may be, of the one/Other Part;

**WITNESSES:**

WHEREAS the STOCK BROKER is registered as the trading stock broker of The Bombay Stock Exchange Limited with SEBI Registration No. INB010813930 in the Cash Market Segment  
WHEREAS the CLIENT is desirous of investing/trading in those securities/ contracts/other instruments admitted to dealings on the Exchange as defined in the Rules, Byelaws and Regulations of the Exchange and circulars issued there under from time to time. WHEREAS the CLIENT has satisfied itself of the capacity of the stockbroker to deal in securities and/or deal in derivatives contracts and wishes to execute its orders through the stockbroker and the client shall from time to time continue to satisfy itself of such a capability of the stock broker before executing orders through the stockbroker. WHEREAS the STOCK BROKER has satisfied and shall continuously satisfy itself about the genuineness and financial soundness of the client and investment objectives relevant to the services to be provided; and WHEREAS the STOCK BROKER has taken steps and 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. WHEREAS the STOCK BROKER and the CLIENT agree to be bound by all the Rules, Byelaws and Regulations of the Exchange and circulars issued thereunder and Rules and Regulations of SEBI and relevant notifications of Government authorities as may be in force from time to time. Now, therefore, in consideration of the mutual understanding as set forth in this agreement, the parties thereto have agreed to the following terms and conditions:

1. The client agrees to immediately notify the Stockbroker in writing if there is any change in the information in the ‘client registration form’ provided by the client to the stockbroker at the time of opening of the account or at any time thereafter.
2. The Stockbroker declares that it has brought the contents of the risk disclosure document to the notice of the client and made him aware of the significance of the said document. The client agrees that:

- a.** He has read and understood the risks involved in trading on a stock exchange.
- b.** He shall be wholly responsible for all his investment decisions and trades.
- c.** The failure of the client to understand the risk involved shall not render a contract void or voidable and the client shall be and shall continue to be responsible for all the risks and consequences for entering into trades in the segments in which the client chose to trade.
- d.** He is liable to 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.
- e.** 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 closing of its trade, be obliged to pay (or entitled to receive) such further sums as the contract may dictate/require.
- f.** The client will pay or receive applicable daily margins.
- g.** The client shall deposit with the Stockbroker monies, securities or other property, which may be required to open and maintain his/her/its account with the Stockbroker.
- 3.** The Client agrees to pay to the Stockbroker 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 the stockbroker renders to the Client. The Stockbroker agrees that it shall not charge the brokerage more than the maximum brokerage permissible as per the rules, regulations and bye-laws of the relevant stock exchange/SEBI.
- 4.** The client agrees to abide by the exposure limits, if any, set by the Stockbroker or by the Exchange or Clearing Corporation or SEBI from time to time.
- 5.** without prejudice to the Stock broker's other rights (including the right to refer a matter to arbitration), the Stock broker shall be entitled to liquidate/close out all or any of the client's positions for non-payment of margins or other amounts, outstanding debts, etc. and adjust the proceeds of such liquidation/closeout, 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.
- 6.** The Stockbroker agrees that the money/securities deposited by the client shall be kept in a separate account, distinct from his/its own account or the account of any other client and shall not be used by the Stockbroker for himself/itself or for any other client or for any purpose other than the purposes mentioned in SEBI Rules and Regulations circulars/ guidelines/Exchanges Rules/Regulations/Bye-Laws and circulars. However, the member's Right of General Lien available under Law shall be applicable on the accounts of the Client.
- 7.** The client agrees to immediately furnish information to the Stockbroker 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.
- 8.** The Stockbroker agrees to inform the client and keep him apprised about trading/settlement cycles, delivery/payment schedules, and 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.

**9.** 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 that the client has ordered to be bought or sold, the Stockbroker may close out the transaction of the client and claim losses, if any, against the estate of the client. The client or his successors, heirs and assigns shall be entitled to any surplus which may result therefrom.

**10.** The Stockbroker agrees that it shall cooperate in redressing the grievances of the client in respect of transactions routed through it and in removing objections for bad delivery of shares, the rectification of bad delivery, etc. in respect of shares and securities delivered/to be delivered or received/to be received by the client.

**11.** The Stock broker shall continue to be responsible for replacing bad deliveries of the client in accordance with applicable "Good & bad delivery norms" even after termination of the agreement and shall be entitled to recover any loss incurred by him in such connection from the client.

**12.** The Stock broker shall ensure due protection to the client regarding the 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 it may have had transactions in securities.

**13.** The client and the Stockbroker agree to refer any claims and/or disputes to arbitration as per the Rules, Byelaws and Regulations of the Exchange and circulars issued thereunder as may be in force from time to time.

**14.** The Stockbroker hereby agrees that he shall ensure faster settlement of any arbitration proceedings arising out of the transactions entered into between him and the client and that he shall be liable to implement the arbitration awards made in such proceedings.

**15.** Information about default in payment/delivery and related aspects by a client shall be brought to the notice of the relevant stock Exchange(s). In case, where a 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 to the relevant stock exchange(s).

**16.** The Stockbroker and the client agree to reconcile their accounts at the end of each quarter with reference to all the settlements where pay-outs have been declared during the quarter.

**17.** The Stockbroker and the client agree to abide by any award passed by the Ombudsman under the SEBI (Ombudsman) Regulations, 2003.

**18.** The Stockbroker and the client declare and agree that the transactions executed on the Exchange are subject to Rules, Byelaws and Regulations and circulars issued thereunder of the Exchange 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 Exchange for the purpose of giving effect to the provisions of the Rules, Byelaws and Regulations of the Exchange and the circulars issued thereunder.

**19.** The Client agrees that he/she/it will not be compensated by the Stockbroker for any "lost opportunity" viz., notional profits on buy/sell orders which could not be executed or real loss from delay in executed orders due to any reason whatsoever including but not limited to a time lag in the execution of the order or the spread at which the system of the Stockbroker or of the Exchange is

operating or the delay in stock queries or any shutting down by the Stockbroker of his system for any reason or the Stockbroker disabling the Client from trading on his system for any reason whatsoever. Further, the stockbroker does not warrant that the services will be uninterrupted or error-free. The service is provided on an 'as provided basis' without warranties of any kind.

**20.** Where the Exchange cancels trade(s) suo-moto all such trades including the trade/s done on behalf of the client shall ipso facto stand cancelled.

**21.** This agreement shall forthwith terminate; if the Stockbroker for any reason ceases to be a stock broker of the stock exchange including cessation of stock broker ship by reason of the Stock broker's default, death, resignation or expulsion or if the certificate issued by the Board is cancelled.

**22.** The Stockbroker and the client shall be entitled to terminate this agreement 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 agreement 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.

**23.** In addition to the specific rights set out in this Agreement, the Stockbroker and the client shall be entitled to exercise any other rights which the Stockbroker or the client may have under the Rules, Bye-laws and Regulations of the Exchange and circulars issued there under or Rules and Regulations of SEBI.

**24.** Words and expressions which are used in this Agreement, 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 of the Exchange and circulars issued there under.

**25.** The provisions of this agreement shall always be subject to Government notifications, any rules, regulations, guidelines and circulars issued by SEBI and Rules, Regulations and Bye-laws of the relevant stock exchange that may be in force from time to time.

**26.** The Stockbroker hereby undertakes to maintain the details of the client

**27.** As mentioned in the client registration form or any other information pertaining to the client in confidence it shall not disclose the same to any personal authority except as required under any law/regulatory requirements; Provided however that the stockbroker may so disclose information about it's/his client to any person or authority with the express permission of the client.

**27.** The client agrees that he will not act as a sub-broker without prior permission from the stockbroker.

**28.** In case, where the payment by the client towards the margin is made through a cheque issued in favour of the stockbroker, any trade(s) would be executed by the stockbroker only upon the realization of the funds of the said cheques or at the discretion of the stockbroker.

**29.** The Stockbroker may at its sole discretion prescribe the payment of Margin in the form of cash instead of securities. The Client accepts to comply with the Stockbroker's requirement of payment of Margin in the form of cash immediately failing which the Stockbroker may sell, dispose of, transfer or deal in any other manner the securities already placed with it as margin or square off all or some of the positions of the Client as it deems fit in its discretion without further reference to the client and any resultant or associated losses that may occur due to such square off/sale be borne by the Client, and the Stockbroker is hereby fully indemnified and harmless by the Client in this behalf.

**30.** Any reference in these terms to the sale or transfer of securities by the Stock broker shall be deemed to include the sale of the securities which form part of the Margin maintained by the client with the stockbroker. In the exercise of the Stock broker's right to sell securities under the agreement, the Client agrees that the choice of specific securities to be sold shall be solely at the Stock broker's discretion.

**31.** Types of services offered: The Stockbroker agrees to provide and the client agrees to avail of, the following services:

**Trading Facilities**

**Clearing Facilities**

And such other services as permitted by SEBI and the Exchange from time to time.

**32.** The client confirms having read and understood the terms and conditions of the Stockbroker Client Agreement and those relating to various services and products and accepts and agrees to be bound by the terms and conditions including those excluding/limiting the stockbroker's and Exchange's liability.

**33.** In case the Client buys securities in one settlement, and sells the same in a subsequent settlement, without having received the payout of the securities, any resulting auction/losses will be the sole responsibility of the client. This agreement can be altered, amended and/or modified by the parties mutually in writing without derogating from the contents of this agreement, provided, however, if the rights and obligations of the parties hereto are altered by virtue of a change in Rules and Regulations of SEBI or Bye-laws, Rules and Regulations of the relevant stock Exchange, such changes shall be deemed to have been incorporated herein in modification of the rights and obligations of the parties mentioned in this agreement.

**34.** Restrictions on access to Website and Training- Client understand that the stock broker may at any time, at its discretion and without prior notice to the client, prohibit or restrict the Client's access to the use of the website or related Services and the Client's ability to trade. The Stockbroker may terminate the Client's account at any time for any reason and without any prior notice to the client. The client will bear any loss that he/she/it may be faced due to the inability to execute further trades on account of such restriction. The closing of an account will not affect the rights and /or obligations of either the stock broker or the Client incurred prior to the date the account is closed.

**35.** Under no circumstances shall the Stockbroker or involved in creating, producing, delivering or managing the Stock broker's Services be liable for any direct, incidental, special or consequential damages that result from the use of or inability to use service, delay in a transaction of any communication, in each case for any reason whatsoever (including on account break down in systems) or out of any breach of any warranty or due to any fraud committed by any person whether in the employment of the stock broker or otherwise.

**36.** Whenever the Stock broker deems it necessary for its protection in its sole and absolute discretion., or if, in the Stock broker's opinion, the Client has breached any material term of this Agreement or defaulted in respect of any transaction with the Stock broker or any related companies to which it is a party; or if any representation, warranty or undertaking made in this Agreement or in any document delivered to the stock broker pursuant to or in connection with this Agreement was when given or hereafter becomes incorrect in any material request; or for compliance with any rules or regulations of any relevant exchange or clearing house; or in the event that a petition in bankruptcy is filed against the Client or an order is made or resolution passed for the Client's voluntary or compulsory winding up or a meeting is convened for the purpose of considering a resolution that the Client should be so wound up; or in the event that a judicial declaration of incompetence is made in

respect of the Client or the Client dies; or any warrant or order of attachment or distress or equivalent order is issued against any of the Client's accounts with the Stock broker or any related companies then all amounts owing by the Client to the stock broker shall become forthwith payable on demand and interest will accrue at the rate specified on amounts outstanding from time to time, and the Stock broker shall be entitled at its absolute discretion, without further notice or demand forthwith to : satisfy any obligation the CLIENT may have to the Stock broker (either directly or by way of guarantee or other security) out of the sale or other realization, in the such manner and upon such terms as the Stock broker may in absolute discretion decide, of all or any part of any property held by the Stock broker and/or any related companies for any purpose in any account of the Client; cancel any open orders for the purchase and sale of Securities; sell any or all Securities long in any account of the Client; buy any or all Securities which may be short in any account of the Client and exercise its rights under any other provisions of this Agreement. The Stockbroker may apply the net proceeds after the deduction of all fees, costs and expenses (including legal costs) incurred in connection with the exercise of any such action referred to in this Clause in reduction of the Clients, then outstanding obligations or indebtedness to the Stockbroker, and/or any related companies. The Client shall at all times be liable for the payment upon demand of any debt or negative balance whatsoever and howsoever arising on an account (including in the event of any liquidation of any such account) together with any cost or expense (including legal costs on all full indemnity basis) incurred by the Stockbroker related to the exercise of its rights under this Agreement and for the payments upon demand of any debt or negative balance that may exist after the Stockbroker has exercised any of its rights under this Agreements. The Client hereby waives all claims and demands (if any) against the Stockbroker in respect of any loss, voluntary or otherwise, directly, arising from the exercise by the Stockbroker of the powers conferred by this clause, howsoever such loss may have been caused (other than through the wilful misfeasance or negligence of the Stockbroker or the reckless disregard of the obligations of the Stockbroker under this clause), whether in relation to the timing or manner of the exercise of such powers or otherwise. The Stockbroker and/or any related companies may purchase the Securities or other assets which are subject to any sale made pursuant to this clause free from any right of redemption and neither the Stockbroker nor any related companies shall be accountable to the Client for any profits, charges or commissions received by any of them or their nominees or agents as a result of the exercise by the Stockbroker conferred pursuant to this clause, Information about default in payment/delivery and related aspects by a Client shall be brought to the notice of the stock exchange(s) in a case where defaulting Client is a corporate entity I partnership I proprietary firm or any other artificial legal entity, then the name(s) of the director(s) / promoters (s)/ Partners(s) I proprietor as the case may be, shall also be communicated to the relevant stock exchange(s) I other statutory authorities

**37.** Certain policies and/or procedures may be further outlined on the Stock broker's Web site and material/literature and frequently asked questions (F&O'S) provided to the Client. Through the use of the Stock broker's Web site and Services, the Client agrees to be bound by any and such notices, policies and terms of doing business.

**38.** The Client confirms and agrees that it will be the sole authorised user of the User name, Password, Customer user Identification Number, Telephone Identification Number (T-Pin) or other identification or Security code by whatever name called, to be given to it by the Stockbroker to access Stock broker's system or service through Stock broker web site, over the telephone or in such manner as may be permitted by the Stockbroker for availing of the service. The Client accepts sole responsibility for the confidentiality and protection of the User name Password, The Customer User Identification Number, T-Pin or other security code(s) as issued by the Stockbroker to the Client from time to time (hereinafter referred to as .security codes as for all orders and information changes entered into the Client account using such security codes. The Client shall ensure that such security code(s) is/are not revealed to any third party. If the Client forgets the security code(s) a request for changes of such security code(s) should be sent to the Stockbroker in writing. On receipt of such request, the Stock broker shall discontinue the use of old security code(s) and shall generate new security code(s) for the Client which shall be communicated to the Client. However, the Client shall be responsible and liable

for all transactions that are carried out by the use of only security code(s). Neither the Stockbroker nor any of its officers, directors, employees, agents, affiliates or subsidiaries will have any responsibility or liability to Client or to any persons whose claim may arise with respect to any of the circumstances described above.

**39.** The Client shall memorise the security code(s) and not record it in writing or electronic form. In the event that the Client does record the security code(s) in the written or electronic form he/she/ it shall do so at his/her/its sole risk and responsibility.

**40.** Any order entered using the Client's security code(s) either through the website or through telephone or otherwise or demand to be that of the Client if third-party's gain access to Stockbroker's services through the use of the Client's security code(s) the Client will be responsible for the same. The Client shall indemnify and keep the Stockbroker indemnified and harmless Stock broker liability, costs or damages arising out of claims or suits by or against such third-party based on the retaliating to such access and use of security code since the primary responsibility for such transaction shall be that of the Client. The use and storage of any information including, without limitation, the password portfolio information transaction activity, account balances and other information or order on the Client's personal computer is at the Client's own risk and is the Client's sole responsibility.

**41.** The Client shall immediately notify the Stockbroker in writing, delivered, via e-mail & registered AD, if the Client becomes aware of any loss, theft or unauthorized use of the Client's security code (s) and account number or any failure by the Client to receive the confirmation of execution including the contract note for the same or any receipt by the Client of a confirmation of an order and/or execution which the Client did not place or any inaccurate information in the Client's account balance, securities position, or transaction history. In the case where the Client notifies such loss, theft or unauthorized use of the Client's Security code (s) password and account number to the Stockbroker, it shall suspend the use of the account of the Client, however the Client shall be responsible and liable for all transactions that are carried out by using the Client's password. When any of the above circumstances occur, neither the Stockbroker nor any of its officers, directors, employees, agents or subsidiaries will have any responsibility or liability to the Client or any other person whose claim may arise through the Client with respect to any circumstances described above.

**42.** The instructions issued by an authorized representative of the Client shall be binding on the Client in accordance with the letter authorizing the said representative to deal on behalf of the Client. The Client is aware that authentication technologies and strict security measures are required for Internet trading through order routed system and undertakes to ensure that the security code(s) of the Client and/or his/her/its authorized representative. In the event of the authorized representative (s) being replaced, it shall be the responsibility of the Client to inform the Stockbroker of the change in writing, failing which the Client shall be responsible for the trade obligations arising out of the actions of both the representatives old as well as the new representative. In the event of the authorized representative being replaced, it shall be the responsibility of the constituent to inform the Stockbroker of the change in writing, failing which the client shall be responsible for the trade obligations arising out of the actions of both the old representative as well as the new representative.

**43.** The Client hereby undertakes to;

- i.** Place the initial and maintenance margin amounts as the stock broker may specify to the Constituent from time to time, subject to requirements specified by SEBI.
- ii.** Authorize retention of the shares with the Stockbroker upon the receipt of the same in the payout from the Stock exchange till the amount due in respect of the said transaction including the dues to the Stockbroker is paid in full by the Client.

iii. Pay the Stock broker-Brokerage, commission, fees, transaction costs, service tax, stamp duty and other taxes/expenses as are prevailing from time to time and as they apply to the Client's account, transactions and to the Services that the stock broker renders to the Constituent.

iv. Abide by any revision in any of the terms of this agreement as may be agreed between the parties.

44. The Stockbroker represents that on entering into this agreement and deposit of initial margin by the Client the Stockbroker undertakes to settle the obligation of the Stock Exchange for and on behalf of the Client. The Client hereby agrees and authorizes the Stockbroker to make such payments on his behalf.

45. The Client authorizes the Stockbroker to conduct at any time a credit enquiry or check on the Client for the purpose of ascertaining the financial situation and investment objectives of the Client and the Client shall provide such financial and other information to the Stockbroker as may be required by the Stockbroker from time to time.

46. The Stockbroker discloses herewith that it undertakes proprietary trading also in addition to Client based trading.

47. If any provisions of these terms 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 such invalid/unenforceable provisions or terms were not contained herein. This agreement can be altered, amended and /or modified by the parties mutually in writing without derogating from the contents of this Agreement. Provided, however, if the rights and obligations of the parties hereto are altered by virtue of a change in Rules and regulations of SEBI or Bye-laws, Rules and Regulations of the relevant stock Exchange, such changes shall be deemed to have been incorporated herein in modification of the rights and obligations of the parties mentioned in this agreement. IN WITNESS THEREOF the parties to the Agreement have caused these presents to be executed as of the day and year first above written.

For and on behalf of the Constituent

**CLIENT NAME & SIGNATURE**

NAME : .....

.....

**SIGNATURE:**

WITNESS

1)\*PLEASE AFFIX THE RUBBER STAMP IN CASE THE CONSTITUENT IS A NON-INDIVIDUAL ENTITY

For and on Behalf of Stock broker

**STOCK BROKER'S NAME & SIGNATURE**

**NAME : JAYPEE CAPITAL SERVICES LIMITED**

**SIGNATURE :**

.....

WITNESS

1)

**C**

**RD-C04**

**COMBINED RISK DISCLOSURE DOCUMENT FOR CM AND / OR F&O**

This document is issued by the member of the National Stock Exchange of India Ltd. (hereinafter referred to as “NSE”) or The Bombay Stock Exchange Limited (hereinafter referred to as “BSE”) which has been formulated by the Exchanges in coordination with the Securities and Exchange Board of India (hereinafter referred to as “SEBI”) and contains important information on trading in Equities Segment of NSE / BSE. All constituents are urged to read it before making a purchase or a sale of any security being traded on NSE / BSE. NSE/BSE/SEBI does neither expressly nor impliedly guarantee nor make any representation concerning the completeness, adequacy or accuracy of this disclosure document nor has NSE/BSE/ 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 contractual relationship into which you are entering and the extent of your exposure to risk. You must know and appreciate that investment in Equity shares or other instruments traded on the Stock Exchange(s), known as risk capital, 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 NSE/BSE and suffer adverse consequences or loss, you shall be solely responsible for the same and NSE/BSE, its Clearing Corporation/Clearing House 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 member. 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 the purchase and/or sale of security being traded on NSE/BSE. It must be clearly understood by you that your dealings on NSE/BSE through a member shall be subject to your fulfilling certain formalities set out by the member, which may interalia include your filling the know your client form, client registration form, execution of an agreement, etc., and are subject to the Rules, Byelaws and Regulations of NSE/BSE and its Clearing Corporation, guidelines prescribed by SEBI and in force from time to time and Circulars as may be issued by NSE/BSE or its Clearing Corporation/Clearing House and in force from time to time. NSE/BSE 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 trading member and/or sub-broker of NSE/BSE 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/investment 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 the following:

## **1. BASIC RISKS INVOLVED IN TRADING ON THE STOCK EXCHANGE (EQUITY AND OTHER INSTRUMENTS)**

### **1.1 Risk of Higher Volatility::**

Volatility refers to the dynamic changes in price that securities undergo when trading activity continues on the Stock Exchange. Generally, the higher the volatility of a security, the greater its price swings. There may be normally greater volatility in thinly traded securities than in active securities. As a result, 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 sell securities expeditiously at a competitive price and with a minimal price difference. Generally, it is assumed that the more numbers of orders available in a market, the greater the liquidity. Liquidity is important because with greater liquidity, it is easier for investors to buy or sell securities swiftly and with a minimal price difference, and as a result, investors are more likely to pay or receive a competitive price for securities purchased or sold. There may be a risk of lower liquidity in some securities as compared to active securities. As a result, your order may only be partially executed, or may be executed with a relatively greater price difference or may not be executed at all.

**1.2.1** Buying/selling without the intention of giving and/or taking delivery of a security, as part of a day trading strategy, may also result in losses, because in such a situation, stocks may have to be sold/purchased at a low/high prices, compared to the expected price levels, so as not to have any obligation to deliver/receive a security.

### **1.3 Risk of Wider Spreads:**

Spread refers to the difference between the best buy price and the best sell price. It represents the differential between the price of buying a security 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. This in turn will hamper better price formation.

### **1.4 Risk-reducing orders:**

Most Exchanges have a facility for investors to place “limit orders”, “stop-loss orders” etc. The placing of such 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, without regard to price and, 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.

**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, and such an order gets activated if and when the stock 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 stock 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 stock might penetrate the pre-determined price, in which case, the risk of such an order not getting executed arises, just as with a regular limit order.

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

Issuers make news announcements that may impact the price of the securities. These announcements 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.

#### **1.6 Risk of Rumours:**

Rumours about companies at times float in the market through word of mouth, newspapers, websites or news agencies, etc. Investors should be wary of and should desist from acting on rumours.

#### **1.7 System Risk:**

High-volume trading will frequently occur at the market opening and before the market close. Such high volumes may also occur at any point in the day these may cause delays in order execution or confirmation as a result of which the constituent may face a situation of lost opportunity which will not be the responsibility of the member and hence will not be compensated by the member.

**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 security due to any action on account of unusual trading activity or stock hitting circuit filters or for any other reason.

#### **1.8 System/Network Congestion:**

Trading on NSE/BSE is in electronic mode, based on satellite/leased line-based communications, the 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 the 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 the control of and may result in a 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 FUTURES AND OPTIONS SEGMENT IS CONCERNED, PLEASE NOTE AND GET YOURSELF ACQUAINTED WITH THE FOLLOWING ADDITIONAL FEATURES:**

### **2.1 Effect of “Leverage” or “Gearing”**

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 principal investment amount. But transactions in derivatives carry a high degree of risk. You should therefore completely understand the following statements before actually trading in derivatives trading 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 the whole margin equivalent to the principal investment 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. If the index has moved against you, you will be required to deposit the amount of loss (notional) resulting from such movement. This margin will have to be paid within a stipulated time frame, generally before the commencement of trading the next day.

**B.** If you fail to deposit the additional margin by the deadline or if an outstanding debt occurs in your account, the broker/member 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 the derivatives contracts you plan to trade i.e. the contract specifications and the associated obligations.

## **2.2. Risk of Option holders**

**2.2.1.** 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.

**2.2.2.** The Exchange may impose exercise restrictions and have absolute authority to restrict the exercise of options at certain times in specified circumstances.

## **2.3 Risks of Option Writers**

**2.3.1.** If the price movement of the underlying is not in the anticipated direction, the option writer runs the risk of losing a substantial amount is

**2.3.2.** 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.

## **GENERAL**

### 3.1 Commission and other charges

Before you begin to trade, you should obtain a clear explanation of all commissions, fees and other charges for which you will be liable. These charges will affect your net profit (if any) or increase your loss.

### 3.2 Deposited cash and property

You should familiarise yourself with the protections accorded to the money or other property you deposit particularly in the event of a firm insolvency or bankruptcy. The extent to which you may recover your money or property may be governed by specific legislation or local rules. In some jurisdictions, property which has been specifically identifiable as your own will be pro-rated in the same manner as cash for purposes of distribution in the event of a shortfall. In case of any dispute with the member, the same shall be subject to arbitration as per the bye-laws/regulations of the Exchange.

3.3 For the rights and obligations of the clients, please refer to the enclosed document.

3.4 The term 'constituent' shall mean and include a client, a customer or an investor, who deals with a member for the purpose of acquiring and/or selling of securities through the mechanism provided by NSE/BSE.

3.5 The term 'member' shall mean and include a trading member, a broker or a stock broker, who has been admitted as such by NSE/BSE and who holds a registration certificate as a stock broker from SEBI. I hereby acknowledge that I have received and understood this risk disclosure statement and the document containing my rights and obligations.

**Date:**.....

(If Partner, Corporate, or other Signatory, then attest with company seal.)

## **INVESTOR'S RIGHTS AND OBLIGATIONS**

1.1 You should familiarise yourself with the protection accorded to the money or other property you may deposit with your member, particularly in the event of a default in the stock market or the broking firm's insolvency or bankruptcy.

1.1.1 Please ensure that you have documentary proof of your having made a deposit of such money or property with the member, stating towards which account such money or property was deposited.

1.1.2 Further, it may be noted that the extent to which you may recover such money or property may be governed by the Bye-laws and Regulations of NSE/BSE and the scheme of the Investors' Protection Fund in force from time to time.

1.1.3 Any dispute with the member with respect to deposits, margin money, etc., and producing an appropriate proof thereof, shall be subject to arbitration as per the Rules, Byelaws/Regulations of

### **NSE/BSE or its Clearing Corporation / Clearing House.**

1.2 Before you begin to trade, you should obtain a clear idea from your member of all brokerage, commissions, fees and other charges which will be levied on you for trading. These charges will affect your net cash inflow or outflow.

1.3 You should exercise due diligence and comply with the following requirements of the NSE/BSE and/or SEBI:

1.3.1 Please deal only with and through SEBI-registered members of the Stock Exchange and are enabled to trade on the Exchange. All SEBI registered members are given registration no., which may be verified by SEBI. The details of all members of NSE/BSE and whether they are enabled to trade may be verified from NSE/BSE website ([www.nseindia.com](http://www.nseindia.com)/[www.bseindia.com](http://www.bseindia.com)).

1.3.2 Demand any such information, details and documents from the member, for the purpose of verification, as you may find it necessary to satisfy yourself about his credentials.

1.3.3 Furnish all such details in full as are required by the member as required in the "Know Your Client" form, which may also include details of PAN or Passport or Driving licence or Voters Id, or Ration

Card, bank account and depository account, or any such details made mandatory by SEBI/NSE/BSE at any time, as is available with the investor.

1.3.4 Execute a broker-client agreement in the form prescribed by SEBI and/or the Relevant Authority of NSE/BSE or its Clearing Corporation / Clearing House from time to time, because this may

be useful as proof of your dealing arrangements with the member.

1.3.5 Give any order for buy or sell of a security in writing or in such form or manner, as may be mutually agreed. Giving instructions in writing ensures that you have proof of your intent, in case

of disputes with the member.

1.3.6 Ensure that a contract note is issued to you by the member which contains minute records of every transaction. Verify that the contract note contains details of order no., trade number, trade time, trade price, trade quantity, name of security, and client code allotted to you and shows the brokerage separately. Contract notes are required to be given/sent by the member to the investors latest on the next working day of the trade. Contract notes can be issued by the member either in electronic form using a digital signature as required, or in hard copy. In case you do not receive a contract note on the next working day or at a mutually agreed time, please get in touch with the Investors Grievance Cell of NSE/BSE, without delay.

1.3.7 Facility of Trade Verification is available on the NSE/BSE website ([www.nseindia.com/www.bseindia.com](http://www.nseindia.com/www.bseindia.com)), where details of trade as mentioned in the contract note may be verified from the trade

1.3.8 Ensure that payment/delivery of securities against settlement is given to the concerned member within one working day prior to the date of pay-in announced by NSE/BSE or its Clearing Corporation / Clearing House. Payments should be made only by account payee cheque in favour of the firm/company of the trading member and a receipt or acknowledgement towards what such payment is made be obtained from the member. Delivery of securities is made to the pool account of the member rather than to the beneficiary account of the member.

1.3.9 In case pay-out of money and/or securities is not received on the next working day after the date of pay-out announced by NSE/BSE or its Clearing Corporation / Clearing House, please follow-

up with the concerned member for its release. In case pay-out is not released as above from the member within five working days, ensure that you lodge a complaint immediately with the Investors' Grievance Cell of NSE/BSE.

Grievance Cell of NSE/BSE.

1.3.10 Every member is required to send a complete 'Statement of Accounts, for both funds and securities settlement to each of its constituents, at such periodicity as may be prescribed from time to time. You should report errors, if any, in the Statement immediately, but not later than 30 calendar days of receipt thereof, to the member. In case the error is not rectified or there is a dispute, ensure that you refer such matter to the Investors Grievance Cell of NSE/BSE, without delay.

1.3.11 In case of a complaint against a member/registered sub-broker, you should address the complaint to the Office as may be specified by NSE/BSE from time to time.

1.4 In case, where a member surrenders his membership, NSE/BSE gives a public notice inviting claims, if any, from investors. In case of a claim, relating to "transactions executed on the trading system" of NSE/BSE, ensure that you lodge a claim with NSE/BSE/NSCCL/Clearing House within the stipulated period and with the supporting documents.

1.5 In case, where a member is expelled from trading membership or declared a defaulter, NSE/BSE gives a public notice inviting claims, if any, from investors. In case of a claim, relating to "transactions executed on the trading system" of NSE/BSE, ensure that you lodge a claim with NSE/BSE within the stipulated period and with the supporting documents.

1.6 Claims against a defaulter/expelled member found to be valid as prescribed in the relevant Rules/Bye-laws and the scheme under the Investors' Protection Fund (IPF) may be payable first out of the amount vested in the Committee for Settlement of Claims against Defaulters, on pro-rata basis if the amounts are inadequate. The balance amount of claims, if any, to a maximum amount of Rs.10 lakhs per investor claim, per defaulter/expelled member may be payable subject to such claims being found payable under the scheme of the IPF.

Notes:

1. The term 'constituent' shall mean and include a client, a customer or an investor, who deals with a trading member of NSE/BSE for the purpose of acquiring and/or selling of securities through the mechanism provided by NSE/BSE.

2. The term 'member' shall mean and include a member or a broker or a stock broker, who has been admitted as such by NSE/BSE and who holds a registration certificate as a stock broker from SEBI.

3. NSE/BSE may be substituted with names of the relevant exchanges, wherever applicable.

Client Name

Client Signature

Client Code

**SUPPLEMENTAL MEMBER –CLIENT AGREEMENT (ITORS TRADING)**

This supplemental is an agreement made and executed at Delhi, this.....day of..... 20.....between Jaypee Capital Services Limited, a body corporate, incorporated under the provisions of the Companies Act, 1956, being a member of the Bombay Stock Exchange Limited (hereinafter called “the Exchange” or “BSE”) with the SEBI Registration No. INB 010813930 for the cash market, National Stock Exchange of India Limited (hereinafter called “the Exchange” or “NSE”) with the SEBI Registration No. INB230813938 for cash market and having its registered office at 1114, 11th Floor, Naurang

House, 21, K.G. Marg, New Delhi-110001 (hereinafter called “the stockbroker”) which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include itself in the capacity of a trading member while trading in the derivatives segment, its heirs, executors, administrators and legal representatives, the survivor or survivors of them and their respective heirs, executors, administrators and legal representatives/its successors, as the case may be, of the One Part;

AND

Mr./Mrs./M/s....., an individual/a sole proprietary concern/a partnership firm/a HUF/a body corporate, registered/incorporated, under the provisions of the Indian Partnership Act, 1932/the Companies Act, 1956, having his/her/its residence/ registered office at.....(hereinafter called “the client”) 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 and their respective heirs, executors, administrators and legal representatives/its successors, as the case may be, of the Other Part;

WHEREAS:

1. The STOCK BROKER is a member of (“the Exchange”) and is also registered with the Securities and Exchange Board of India (“SEBI”) as a stock broker.

2. The Client is a client/constituent of the stockbroker, and the stockbroker and the Client have entered into a Member Client Agreement dated the \_\_\_\_\_ day of \_\_\_\_\_ (“the Main

Member-Client Agreement”);

3. The stockbroker offers and/or proposes to offer the Internet Trading Order Routing System (ITORS) Service to its clients; and the Client desires to avail of the stockbroker’s ITORS Service for purchasing, selling or otherwise dealing in securities; The stock broker and the Client desire to enter into this Supplemental Agreement forming part of Main Member-Client Agreement in order to record the agreement between them relating to the stock broker’s ITORS Service to be availed of by the Client.

IT IS HEREBY AGREED BETWEEN THE STOCK BROKER AND THE CLIENT as follows:

1. DEFINITIONS:

1.1. In this Agreement (including the Recitals above), unless the context otherwise requires the following words shall have the following meanings:

(i) “The Exchange” means Bombay Stock Exchange Limited and includes a segment of the Exchange.

(ii) “Exchange Provisions” means the Rules, Bye-laws, Regulations, Business Requirements, Specifications, handbooks, notices, circulars and resolutions of the Exchange or any segment of the

Exchange is in force from time to time and includes the Minimum Requirements Handbook for ITORS prescribed by the Exchange, as amended from time to time.

(iii) “ITORS” means Internet-based Trading through Order Routing System, being a system approved by the Exchange for enabling clients to route their orders to their stock broker-brokers over the internet.

(iv) “ITORS Account Application” means the application submitted by the Client to the stock broker to permit the Client to avail of the stock broker’s ITORS Service.

(v) “ITORS Service” or “Service” means the service offered by the stock broker to its clients through ITORS whereunder the clients can route their orders for purchase, sale and other dealings in securities through the stock broker’s ITORS System.

(vi) ‘STOCK BROKER’s ITORS System” or “STOCK BROKER’s ITORS Website” means the website hosted by the stock broker on the internet through which the stock broker offers the ITORS Service and includes the hardware and software used for hosting and supporting the Website.

(vii) “Password” means an alphanumeric code used by the Client to validate his/her user name and to access the Service.

(viii) “SEBI” means the Securities and Exchange Board of India.

(ix) "Username" means an alphanumeric login identification used by the Client for accessing the Service.

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

1.3 In this Agreement, unless the context otherwise requires, reference to the singular includes a reference to the plural and vice-versa, and reference to any gender includes a reference to all other genders.

1.4 In this Agreement, unless the context otherwise requires, references to Recitals and Clauses shall be deemed to be a reference to the recitals and clauses of this Agreement.

1.5 References to any enactment are to be construed as referring also to any amendment or re-enactment thereof and to any rule, bye-law, regulation, business requirement, specification, order or other provision made under it.

## 2. AGREEMENT TO PROVIDE AND AVAIL OF THE ITORS SERVICE:

The stock broker agrees to provide the stock broker's ITORS Service to the Client, and the Client agrees to avail of the stock broker's ITORS Service, on and subject to the terms and conditions of this Agreement, the Exchange Provisions and the terms of the stock broker's ITORS Website.

## 3. USER NAME AND PASSWORD:

3.1 The Client will be entitled to a username and password, which will enable him to access the stock broker's ITORS System for availing of the Service.

3.2 The Client is aware that the stock broker's ITORS System itself generates the initial password and that the stock broker is aware of the same. The Client agrees and undertakes to immediately change his initial password upon receipt thereof. The Client is aware that subsequent passwords are not known or available to the stockbroker.

3.3 The Client shall be responsible for keeping the Username and Password confidential and secure and shall be solely responsible for all orders entered and transactions are done by any person whosoever through the stock broker's ITORS System using the Client's Username and/or Password whether or not such person was authorised to do so.

3.4 The Client shall immediately inform the stockbroker of any unauthorised use of the Client's Username or Password with full details of such unauthorised use including the date of such unauthorised use, the manner in which it was unauthorisingly used, the transactions effected pursuant to such unauthorised use, etc.

3.5. The Client acknowledges that he is fully aware of and understands the risks associated with availing of a service for routing orders over the internet including the risk of misuse and unauthorised use of his Username and/or Password by a third party and the risk of a person hacking into the Client's account on the stock broker's ITORS System and unauthorisedly routing orders on behalf of the Client through the System. The Client agrees that he shall be fully liable and responsible for any and all unauthorised use and misuse of his Password and/or Username and also for any and all acts done by any person through the stock broker's ITORS System on the Client's Username in any manner whatsoever.

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

3.7 Without prejudice to the provisions of Clause 3.5, the Client shall immediately notify the stock broker in writing with full details if:

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

3.8 In any of the above events specified in Clause 3.7, the Client shall immediately change the Password. However, if the Client is unable to change their Password by reason of his having forgotten his Password or his Password having been unauthorisedly changed by some other person or for any other reason than the Client shall immediately request the stock broker in writing to discontinue the old Password; and thereupon the stock broker shall cause the stock broker's ITORS System to discontinue the use of the Client's old Password and the stock broker's ITORS System shall generate a new password for the Client which shall be communicated to the Client. At no point in time shall the stock broker be liable for any loss, whether notional or actual, that may be suffered by the Client on account of the misuse of the Password.

#### 4. TRANSACTIONS AND SETTLEMENTS:

4.1 All orders for purchase, sale or other dealings in securities and other instructions routed through the stock broker's ITORS System via the Client's Username shall be deemed to have been given by the Client.

4.2 The orders and instructions and all contracts and transactions entered into pursuant thereto and the settlement thereof will be in accordance with the Exchange Provisions.

4.3 The stock broker may from time to time impose and vary limits on the orders that the Client can place through the stock broker's ITORS System (including exposure limits, turnover limits, limits as to the number, value and/or kind of securities in respect of which orders can be placed, the companies in respect of whose securities orders can be placed, etc.). The Client is aware and agrees that the stock broker may need to vary or reduce the limits or impose new limits urgently on the basis of the stock broker's risk perception and other factors considered relevant by the stockbroker, and the stock broker may be unable to inform the Client of such variation, reduction or imposition in advance. The Client agrees that the stock broker shall not be responsible for such variation, reduction or imposition or the Client's inability to route any order through the stock broker's ITORS System on account of any such variation, reduction or imposition of limits. The Client understands and agrees that the stockbroker 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 stockbroker.

4.4 Though orders will generally be routed to the Exchange's computer systems within a few seconds from the time the order is placed by the Client on the stock broker's ITORS System, the stock broker shall not be liable for any delay in the execution of any order or for any resultant loss on account of the delay.

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

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

#### 5. MARGIN:

The Client agrees and undertakes to immediately deposit with the stock broker such cash, securities or other acceptable security, which the stock broker may require as a margin. The Client agrees that the stock broker shall be entitled to require the Client to deposit with the stock broker a higher margin than that prescribed by the Exchange. The stock broker shall also be entitled to require the

Client to keep permanently with the stock broker a margin of a value specified by the stock broker so long as the Client desires to avail of the stock broker's ITORS Service.

#### 6. CANCELLATION REQUESTS:

6.1 When the Client places a request to cancel an order, the cancellation of that order is not guaranteed. The order will only be cancelled if the Client's request for cancellation is received and the order is successfully cancelled before it is executed.

6.2 The Client shall not be entitled to presume an order as having been executed or cancelled until a confirmation from the stock broker is received by the Client.

6.3 The Exchange may annul a trade suo moto without giving a reason therefor. In the event of such annulment, the stock broker shall be entitled to cancel the relative contract(s) with the Client.

#### 7. BROKERAGE, COMMISSIONS AND FEES:

7.1 The Client agrees to pay the stock broker brokerage, commission, fees, service tax and other taxes and transaction expenses as they exist from time to time and as they apply to the Client's account and transactions, and the services that he receives from the stockbroker.

7.2 A schedule of brokerage, fees and commissions, applicable service and other taxes and other transaction expenses shall be provided by the stock broker to the Client from time to time upon request by the Client.

#### 8. CONFIRMATIONS:

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

#### 9. INVESTMENT ADVICE:

9.1 The Client acknowledges that the stock broker shall not be liable to provide him with any legal, tax, investment or accounting advice or advice regarding the suitability or profitability of a security or investment.

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

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

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

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

#### 10. SUPPLEMENTAL TO MAIN MEMBER-CLIENT AGREEMENT:

This Agreement is supplemental to and does not supersede, the Main Member-Client Agreement. Save as and except as modified expressly or by implication by this Agreement the Exchange

Provisions or the terms of the stock broker's ITORS Website, the provisions of the Main Member-Client Agreement shall apply mutatis mutandis to the extent applicable to dealings between the stockbroker and the Client pursuant to or otherwise relating to the stock broker's ITORS Service.

#### 11. REPRESENTATIONS AND WARRANTIES OF CLIENT:

The Client represents and warrants to the stock broker that:

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

Application.

11.2 The Client is aware and acknowledges that trading over the internet involves many uncertain factors and complex hardware, software, systems, communication lines, peripherals, etc. which are susceptible to interruptions and dislocations; and the stock broker's ITORS Service may at any time be unavailable without further notice. The stock broker and the Exchange do not make any representation or warranty that the stock broker's ITORS Service will be available to the Client at all times without any interruption. The Client agrees that he shall not have any claim against the Exchange or the stock broker on account of any suspension, interruption, non-availability or malfunctioning of the stock broker's ITORS System or Service or the Exchange's service or systems for any reason whatsoever.

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

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

11.5 The Client shall abide by the Exchange Provisions and the terms of the stock broker's ITORS Website in force from time to time.

11.6 Any instructions given by an authorised representative of the Client to the stock broker (or to the stock broker's representative) shall be binding on the Client.

## 12. REPRESENTATIONS AND WARRANTIES OF THE STOCK BROKER::

The stock broker represents and warrants to the Client that:

The stock broker's ITORS System has been approved by the Exchange. Where the ITORS system has not been approved by the Exchange, the stockbroker has applied/ proposes to apply to the

The exchange is to approve the said ITORS System and the stock broker will commence the stock broker's ITORS Service only after the Exchange has approved the stock broker's ITORS System.

## 13. MARKET DATA:

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

13.2 The Client shall not furnish market information provided by the Exchange to any other person or entity for consideration or otherwise and in the event the Client uses such information he shall do so at his own risk and cost.

## 14. NOTICES:

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

To the STOCK BROKER at:

Name of the person concerned:

Address

Fax #

.....

.....

.....

E-mail :.....

To the Client at:

Name of the person concerned: (give details)

Address

Fax #

.....

.....

.....

E-mail :..... or at such other address, facsimile number or e-mail address as the party to be served may have notified the other in accordance with the provisions of this Clause.

Notwithstanding anything stated above, communication relating to orders, margins, maintenance calls and other similar matters in the ordinary course of dealings between the stockbroker and the Client may be communicated orally or through SMS or phone call.

15. EXTRAORDINARY EVENTS:

The stock broker and/or its agents will not be liable for losses caused directly or indirectly by government restriction, Exchange or market rulings, suspension of trading, computer, communication,

telephone or system failure, war, earthquakes, flood, accident, power failure, equipment or software malfunction, strikes or any other conditions beyond the stock broker's control.

#### 16. AMENDMENT TO AGREEMENT:

The Client understands and agrees that the stock broker may discontinue his ITORS Service in part or in its entirety and change the terms of the Service (including the terms on the stock broker's ITORS Website) at any time and from time to time, without prior notice.

#### 17. TERMINATION OF AGREEMENT:

17.1 The Client agrees that the stock broker may at anytime terminate this Agreement. The Client is aware and accepts that in view of the nature of the transactions and dealings involved in providing the Service it may not be possible for the stock broker to give advance notice of such termination or suspension to the Client.

17.2 The Client may at any time terminate this Agreement by not less than seven days' notice to the stock broker, provided that unless the stock broker otherwise permits, the Client shall not be entitled to terminate this Agreement so long as any amount is payable or securities are deliverable by the Client to the stockbroker.

17.3 The termination of this Agreement shall not affect any rights or obligations of either party which have accrued prior to the termination or which may arise out of or in connection with acts done or omitted prior to the termination.

17.4 The provisions of Clauses 14, 20 and 21 of this Agreement shall survive the termination of this Agreement.

#### 18. SEVERABILITY:

In the event of any provisions of this Agreement being held to be or becoming invalid, unenforceable or illegal for any reason, this Agreement shall remain otherwise in full force apart from the said provision which will be deemed deleted. The parties shall however attempt to replace the deleted provision with a legally valid provision that reflects the same purpose as the deleted provision to the greatest extent possible.

#### 19. WAIVER:

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

#### 20. LAW AND JURISDICTION:

20.1 This Agreement shall be governed by and construed in all respects in accordance with the laws of the Republic of India and, subject to the provisions of Clause 21, the courts at Delhi, India shall have jurisdiction over this Agreement and the arbitration proceedings in relation to the Agreement.

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

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

21. DISPUTE RESOLUTION:

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

22. All disputes are subject to NCT of Delhi jurisdiction only.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first above written.

Signed and Delivered by

Client- Name and Signature

Name :.....

Signature :.....

Witness- Name and Signature

Name :.....

Address :.....

Signature :.....

JAYPEE CAPITAL SERVICES LIMITED Official- Name and Signature

Name :.....

Signature :.....

Witness- Name and Signature

Name :.....

Address :.....

Signature :.....

Place :.....

Date.....