

**GENERAL TERMS AND CONDITIONS GOVERNING SECURITIES TRADING  
AND BROKING SERVICES OF KLAY SECURITIES PRIVATE LIMITED.****VOLUNTARY**

The Client hereby state and acknowledge that I/we have read and understood the terms and conditions governing securities trading and broking services of Klay Securities Private Limited. ("the Stock Broker"), the same appearing hereunder and I/we shall abide by the same.

**A. Definitions**

- a) "Exchange" shall mean and include the Bombay Stock Exchange Limited (BSE).
- b) "Depository" shall mean and include the Central Depository Services (India) Ltd.(CDSL).
- c) "SEBI" shall mean and include the Securities and Exchange Board of India.

**B. General terms and conditions governing the service**

1. The Provisions of these terms and conditions and all transactions that are carried out by and on behalf of the Client, shall always be subject to the rules, regulations, guidelines and circulars issued by Stock Exchange, their Clearing Corporation/ Houses, if any, on which such transactions are executed and/or cleared by the Stock Broker that may be in force from time to time, the Reserve Bank of India and the NSDL and CDSL, the Securities Contracts (Regulation) Act 1956 and the rules made there under, and any other applicable statutory provisions and rules or regulations. The Stock Broker is under no obligation to inform the Client of changes in these rules, regulations or guidelines etc.
2. Where the Client is a Non Resident Indian, he agrees to abide by the Foreign Exchange Management Act and rules and regulations issued there under from time to time.
3. The Client hereby authorizes the Stock Broker to take all such steps on the Client's behalf as may be required or advisable in the Stock Broker's opinion for compliance with the Exchange provisions or any other law or provisions or to complete or settle any transactions entered in to through or with the Stock Broker or executed by the Stock Broker on behalf of the Client. However nothing contained herein shall oblige the Stock Broker to take such steps.
4. In addition to the specific rights set out in these terms and conditions, the Stock Broker and the Client shall be entitled to exercise any other rights which the Stock Broker or the Client may have under the Rules, Bye-Laws and Regulations of the Exchange and circulars issued there under or Rules and Regulations of SEBI.
5. The Client states that he/it is eligible in terms of age, territorial jurisdiction and has the authority to open trading account with a stock broker and nothing in law or otherwise bars the Client there from. The Client having opened / applied for opening trading account with a stock broker shall be deemed to have satisfied himself/itself with regard to eligibility in this respect.
6. If any transaction(s) with Stock Broker has/have been executed on behalf of the Client by any other person and the same has/ have been accepted by the Client from time to time on the basis of the contract note(s)/bills/ any other correspondence dispatched/communicated to the Client by the Stock Broker and/or by part or full settlement of the said transaction(s) by the Client, then such transaction(s) shall be deemed to be executed by such person under authority of the Client and the Client hereby agrees to ratify and accept all such or other actions of such persons and undertakes to meet all obligations arising from these transaction(s).
7. All references to the specific quantity/rate/fee/charges/interest mentioned in any other documents are subject to change from time to time with prior notice of 15 days.
8. These Terms and conditions can be altered, amended and/or modified by the parties mutually in writing. Provided however, if the rights and obligations of the parties hereto are altered by virtue of change in Rules and Regulations of SEBI or Bye Laws, Rules and Regulations of the relevant stock exchange, such changes shall be deemed to have been incorporated herein in modification of these terms and conditions. Provided further that the Stock Broker may communicate any changes to these terms and conditions through email. Such changes are binding on the Client if the Stock Broker has received no objection from the Client within 30 days from the date of such communication.
9. The Client agrees that he will not act as a sub broker without prior written permission of the Stock Broker and without obtaining certificate of registration from SEBI.
10. All orders made by the Client shall only be in securities compulsorily traded in the dematerialized form. All deliveries of securities made by or to the Client shall only be in the dematerialized form.
11. The Client shall transmit his orders to the Stock Broker through the Internet over the Stock Brokers web site, or through telephone (wherever and whenever such facility is available and/or offered by the Stock Broker and as per predefined procedure of forwarding the order through a phone broking executive) through a sub-broker or in such manner as the Stock Broker may permit.



12. The Stock Broker shall have the right to retain and/or set-off and adjust any amounts payable to the Client against any present or future receivables from the Client (whether accrued or contingent). More particularly, the Stock Broker shall have the right to:
- set off and adjust all funds, receivables, margins of the Client lying with the Stock Broker, and/ or any amounts payable to
  - set off and adjust all securities of the Client lying with the Stock Broker across segments and/or Exchanges for the settlement of the Clients outstanding positions in any segment of Exchange, without any reference or notice to the Client.
  - set-off and adjust all funds, receivables, margins of the Client lying with the Stock Broker, as well as all securities of the Client lying with the Stock Broker/pledged in favour of the Stock Broker, against all present and future dues and receivables of, and amounts payable by, the Client in relation to any other service for the settlement of the Client's outstanding positions in relation to such other service availed by the client, without any reference to the Client.

The Client hereby waives any and all objection to, and hereby authorizes the Stock Broker to adjust/appropriate its funds, receivables and margins and/or securities as aforesaid.

13. The Stock Broker may, at its sole discretion, square-off any outstanding position(s) of the Client due to all or any of the following:
- shortage of margin.
  - any restrictions in relation to volume of trading/outstanding business or margins stipulated by the Exchange, clearing corporation/clearing house and/or the Stock Broker.
  - delays by the Client in meeting his obligations/dues to the Stock Broker and/or the clearing corporation/clearing house.
  - any extraordinary event warranting such square off.
  - any extraordinary movement in the market / particular script.

#### **C. Risk disclosure**

14. The Stock Broker declares that it has brought out the contents of the risk disclosure document to the notice of the Client and made him aware of the significance of the said document and the Client states and agrees that he has read, understood, appreciated and signed the risk disclosure documents of the Exchange and has retained a copy thereof.

The Client agrees and declares as follows that:

- The Client shall deposit with the Stock Broker such monies, securities that may be required to open and/or maintain his account with the Stock Broker.
- All monies, securities that the Stock Broker may hold on Client's account shall be held subject to a general lien for the discharge of Client's obligations to the Stock Broker.
- The Client shall not, acting alone or in concert with others, directly or indirectly, hold and control excess number of permitted Derivatives contracts as fixed from time to time by the Exchange.
- The Client shall not exercise a long or short position where, acting alone or in concert with others, directly or indirectly, the Client would have exercised in excess of the number of permitted futures contracts as may be fixed from time to time by the Exchange.

#### **D. Provisions applicable specifically to Web, Wired and Wireless telephone based trading services\***

15. Stock Broker may offer broking services through the Internet through its web site 'www.klaysecurities.com' or such other web site as notified by the Stock Broker from time to time ("the Website"). Stock Broker may also offer wireless and wired telephone based dial and trade broking services to the Client. Electronic broking services or wireless and/or wired dial and trade services or any other services through electronic mode shall be collectively referred to as "E-Trading Services". The provisions of this Section D shall apply to the E-Trading Services in addition to the remaining provisions of these terms and conditions.
16. Before availing of the E-Trading services the Client shall complete registration process, if any, as may be prescribed by the Stock Broker from time to time.
17. The Client shall follow the instructions given in the Website for registering himself as a client. Such formalities will include selection of preferred user ID, basic client information.
18. Stock Broker will provide the Client with a username, a trading password or other identification or security code/device by whatever name called, which will enable him to avail of the facilities of E-Trading through the Stock Brokers Website, over the telephone or in such other manner as may be permitted by the Stock Broker for availing the services. All terms regarding the use, reset and modification of such password shall be governed by information on the Website or available upon request by the Client to the Stock Broker.

\*Currently this facility is not offered by KSPL. the Client shall be informed as and when e-trading facility is offered.



19. The Client is aware that the Stock Broker's system randomly generates the initial password, encrypts and passes on the password to the Client. The Client agrees and undertakes to immediately change his initial password upon receipt thereof. The Client is aware that subsequent passwords also are not known or available to the Stock Broker.
20. The services on the Website shall be available to the client subject to the terms and conditions mentioned thereof. The products specific terms and conditions shall be posted on the website. The use of any of the products by the clients shall mean that the client has accepted to the applicable products specific terms and conditions.
21. In any of the events referred to in Clause 22 the Client shall immediately change his password. However, if the Client is unable to change his password by reason of his having forgotten his password or his password having been unauthorizedly changed by some other person or for any other reason than the Client shall immediately request the Stock Broker in writing to discontinue his old password; and thereupon the Stock Broker shall cause the Stock Broker's E-Trading system to discontinue use of the be suffered by the Client on account of the misuse of the password/ security identification details. The Client acknowledges that on intimation of any of the events referred to in Clause 22 the Stock Broker may, at its sole discretion if deemed necessary to do so, temporarily discontinue the availability of the E-Trading System to the Client for the purpose of generating a new password, which shall be communicated to the Client. It is clarified for the avoidance of doubt that the Stock Broker shall not, at any time whatsoever, whether or not such intimation is received by the Stock Broker and whether or not the Stock Broker has discontinued the availability of the E-Trading System to the Client, be liable in any manner whatsoever for any orders entered and transactions done by any person whatsoever through the Website using the Client's username and/or trading password/ security identification details, the responsibility and liability for which will remain solely with the Client.
22. The Client shall be responsible for keeping the username, password and security identification details confidential and secure and shall be solely responsible for all orders entered and transactions done by any person who so ever through the Stock Broker's system using the Client's username, password and security identification details whether or not such person was authorized to do so. The Client shall ensure that he is the only authorized user of username, password and security identification details. The Stock Broker shall be entitled to presume that any orders or instructions entered or communicated using the Client's username, and password is the Client's own order or instruction or that of the Client's duly authorized representative. The Client will be fully responsible and liable for, and will pay or reimburse to the Stock Broker on demand all costs, charges, interest, damages and expenses incurred by the Stock Broker as a consequence of access and/or use of Client's account, Stock Broker's system or service by any third party using the Client's username, password and security identification details.
23. The Client shall remain logged off from the Website at any time the Client is not accessing or using the E-Trading 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.
24. The Client agrees to provide information relating to customer user identification details and such other information as may be required while placing orders on the telephone to determine the identity of the Client. Provided however that nothing prevents the Stock Broker from accepting instructions from the Client over phone without usage of identification number, and such acceptance of instructions by the Stock Broker shall be binding on the Client.
25. The Stock Broker may from time to time, at its sole discretion, impose and vary limits on the orders that the Client can place through the Stock Broker's Website (including but not limited to exposure limits, turnover limits, limits as to the number, value and/or kind of securities/contracts in respect of which buy or sell orders can be placed etc.). The Client is aware and agrees that the Stock Broker may need to vary or reduce the limits or impose new limits urgently on the basis of the Stock Broker's risk perception and other factors considered relevant by the Stock Broker, and the Stock Broker may be unable to inform the Client of such variation, reduction or imposition in advance. The Client agrees that the Stock Broker shall not be responsible for such variation, reduction or imposition or the Client's inability to route any order through the Stock Broker's Website on account of any such variation, reduction or imposition of limits. The Client understands and agrees that the Stock Broker may, as a risk containment measure, at any time, at its sole discretion and without prior notice, prohibit or restrict the Client's ability to place orders or trade in all or some of the securities/contracts through the Stock Broker.
26. Though orders will generally be routed to the Exchange's computer systems with in a few seconds from the time the order is placed by the Client.
27. In case of a market order, the Client agrees that he will receive the price at which order was executed at the Exchange's computer system; and such price may be different from the price at which the security was trading when his order was entered into the Stock Broker's Website.
28. The Client understands and agrees that the Stock Broker may, at its sole discretion and without being required to assign any reasons therefore, discontinue his E-Trading service in part or in its entirety and change the terms



of the service (including the terms of the Stock Broker's E-Trading Website) at any time and from time to time, by intimating through email.

29. The Client agrees to hold the Stock Broker harmless from any claims and confirms that the Stock Broker shall not be responsible or liable for any loss, actual or notional, caused directly or indirectly as a result of failure on the Internet, unauthorized access, equipment failure, communications failure, or systems failure or any condition beyond the control of the Stock Broker that may prevent the Client from entering a transaction request or prevent the Stock Broker from executing a transaction request. The Client further agrees that the Client shall not be compensated by the Stock Broker for any "lost Opportunity".
30. The Stock Broker and group companies of the Stock Broker disseminating any data/message/information through the Web Site shall not be held liable for any error, inaccuracy, omission in or delay in the transmission or delivery of any such data, information or message.

#### **E. Margins**

31. The Client shall make available the prescribed initial margin in the form of cash and/or in the form of approved securities ("the Margin") with the Stock Broker prior to commencement of trading and/or before placing every trade/order instructions. The Client may be permitted to trade up to a predetermined number of times of the Margin ("the Multiple") and the quantum of the Multiple on the margin shall be decided at sole option or discretion of the Stock Broker based on the specific stock or scrip or contract the Client intends to trade in. The Stock Broker shall have the irrevocable right to set off a part or whole of the Margin.

The Client agrees that the choice of specific securities to be sold shall be solely at the Stock Broker's discretion. The Stock Broker shall have the sole and absolute discretion to refuse any particular form of margin offered by a Client. The Stock Broker shall be entitled in its sole discretion to revise the amount of and/ or modify or revise the type of margin shall require/accept from the Client from time to time. The Client agrees that the Stock Broker shall be entitled in its sole discretion to require the Client to deposit with the Stock Broker a higher margin than that prescribed by the Exchange or any other applicable law. The Stock Broker shall also be entitled to require the Client to keep permanently with the Stock Broker margin of a value specified by the Stock Broker as long as the Client has margin/pay in obligations. If any security offered as margin is found not to be of good delivery at any time after its deposit with the Stock Broker, the Stock Broker is entitled to reduce the amount of margins

attributable to such security and the Client shall immediately replace the same, failing which the Stock Broker may revise the margin requirements of the Client and/ or square-off any outstanding position of the Client. The Stock Broker is permitted in its sole and absolute discretion to collect additional margins (even though not imposed by the Exchange, the Clearing House or SEBI) and the Client shall be obliged to pay such margins.

- a. **Margin on Purchase** The Stock Broker may require the Client to deposit interest free margin of such percentages on the price of the securities proposed to be purchased, as may be intimated from time to time by the Stock Broker by messaging on the computer screen of the client's computer; by informing the client through employees / agents of KSPL; by publishing / displaying it on the website of KSPL / making it available as a download from the website of KSPL,.
- b. **Margin on Sales** The Stock Broker may require the Client to deposit interest free margin of such percentages on the price of securities proposed to be sold or the relevant securities, as may be intimated from time to time by the Stock Broker by messaging on the computer screen of the client's computer; by informing the client through employees / agents of KSPL; by publishing / displaying it on the website of KSPL / making it available as a download from the website of KSPL,.
- c. **Margins in Derivatives Contracts** in the derivative segment, the Client is liable to pay an initial margin up front on or before creating a position. Such margin shall be decided upon by the Stock Broker from time to time. Furthermore, the Client is liable to pay (or receive) daily margins depending on whether the price of the Derivatives contract moves for or against the position undertaken. The Client may also be liable to pay exposure margin, maintenance margin, withholding margin, special margins or such other margins as are considered necessary by the Stock Broker or the Exchange from time to time. The Client agrees to pay the option premium and daily Mark to Market losses in the form of cash only and not securities.
- d. **Mark to Market Margin in Derivative Contracts** The Client also agrees to pay an upfront margin at the beginning of taking up a position that should cover the daily margins for the said position. If at any time during the period the said position is open or held, the cumulative Mark to Market (MTM) losses exceeds the available limits, in the Client's account, the Client agrees to replenish the loss. The Client will ensure that the margins with the member are adequate at all times and will immediately make good any shortfall that is noticed on the Client's open position/s on the Web Site or otherwise.
- e. **Payment through Cheque/Demand Draft** In case where the payment by the client towards the margin is made through a cheque issued in favour of the Stock Broker, any trade(s) would be executed by the Stock Broker only upon the realization of the funds of the said cheque or at the discretion of the Stock Broker. The Client agrees to mention his Client code along with his name on the reverse of any instrument through which he makes the payment to the Stock Broker.



- f. **Margin in form of Securities** The Client may, at the discretion on stock broker place margin with the Stock Broker in form of securities as approved by the Stock Broker. Such securities may at the discretion of the Stock Broker be marked as lien/pledge in favour of the Stock Broker from the depository account of the Client or such securities may be placed in a separate depository account of the Stock Broker.
- The Client may place/deposit only those securities that are acceptable to the stock Broker. If at any time, a particular security ceases to be on the list of approved securities accepted towards margins, the Client shall provide such other margins as may be required in replacement of such security. The Client agrees and authorizes the Stock Broker to determine the market value of securities placed as Margin after applying a haircut that the Stock Broker deems appropriate. The Client's positions are valued at the latest market price available ("Marked to Market") on a continuous and/or regular basis by the Stock Broker. The Client is advised to monitor the adequacy of the collateral and the market value of such securities on a continuous basis. If due to price fluctuations, there is erosion in the value of the margins, the Client agrees to replenish any short fall in the value of the Margins immediately, whether or not the Stock Broker intimates such short fall. In case of shortfall in margin due to reduction in value of securities placed as margin, the Stock Broker may square-off any outstanding position of the Client.
- g. **Type of Margin** The Stock Broker may at its sole discretion prescribe the payment of Margin in the form of funds instead of securities. The Client accepts to comply with the Stock Broker's requirement of payment of Margin in the form of funds immediately failing which the Stock Broker may sell, dispose, transfer or deal in any other manner the securities already placed with it as Margin or square off all or some of the 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 shall be borne by the Client, and the Stock Broker is hereby fully indemnified and held harmless by the Client in this behalf.
- h. **Margin with the Exchange** The Client agrees that any funds or securities placed by him/her/it as Margin may in turn be placed as margin by the Stock Broker with the Exchange/Clearing House/Clearing Corporation as the Stock Broker may deem fit and permitted from time to time. The Client authorizes the Stock Broker to do all such acts, deeds, and things as may be necessary and expedient for placing such securities with the Exchange/Clearing House/Clearing Corporation as margin.
- i. **Shortfall in margins and other provisions**
- (i) If payment/securities towards the Margin or shortfall in Margin is not received instantaneously to enable restoration of positions shall apply to any segment in which the Client does business with the Stock Broker.
  - (ii) If the Client's order is executed despite a shortfall in the available Margin/ Securities due to any technical glitch, the Client shall whether or not the Stock Broker intimates such shortfall in Margin/Securities to the Client instantaneously make up the shortfall through delivery of securities in the event of a sale, or credit the required funds in the bank account in case of margin/buy order as may be required by the Stock Broker.
  - (iii) Any reference in these terms to sale or transfer of securities by the Stock Broker shall be deemed to include sale of the securities, which form part of the Margin maintained by the Client with the Stock Broker. In exercise of the Stock Broker's right to sell securities under these terms, the Client agrees that the choice of specific securities to be sold shall be solely at the Stock Broker's discretion.
- j. **Amendment in Margins:** Any amendment in the percentage of margins as required to be maintained under the terms and conditions mentioned herein shall be intimated by the Stock Broker to the Client through email. The Client is required to make or replenish the shortfall in such margins, if any, immediately.
- k. In the event of shortfall in margin, the Stock Broker, without being under obligation to do so, may check the availability of additional limits in the Client's account in order to restore the margin level to the initial margin levels and in the event of no such additional limits being available in the Client's account, the Client's open positions may be squared off by the Stock Broker at its discretion.
- l. The Client agrees that it shall be the Client's responsibility at all times to ensure that available margin is always above the span margin requirement specified by the Stock Broker for a particular position. The Client agrees and accepts that since the Stock Broker provides trading facility through the Internet, it may not be possible for it to inform the Client about any short fall in margin requirement on account of sudden spurt in the market, if any, individually.
- m. In the event of any change in margin percentage by the Exchange, the Stock Broker may change the applicable margin percent immediately and shortfall in margin on Client's open position as a result of the same shall be dealt with in the same manner as specified for shortfall in margins specified hereinabove.
- n. The client shall when called upon to do so forthwith from time to time provide a Margin Deposit and / or furnish additional Margin in respect of the business done for the client by and / or as agreed upon by the client with the stock broker.



#### F. Trading, settlement and Accounts:

32. The Client agrees that all orders placed by him for securities whether through the Website, through any dial and order facility or otherwise shall be within the parameters defined and mentioned in the terms and conditions specified by the Stock Broker. An open positions created by the client in the Intraday margin segment shall be squared off by the stock broker starting from cut off time in normal course. Hence client may not be able to square off the above position on his own after cut-off time. The stock broker shall not be liable for any loss emanating from such square off., delayed square off or non square off. The cut-off time shall be the time as mentioned on the web-site or otherwise as intimated from time to time.
33. Upon execution or cancellation of any order placed through the Stock Broker's system, the Client shall be given a confirmation, on the Website or electronic mail or SMS or any other means after the execution of the order/trade and this shall be deemed to be valid delivery thereof by the Stock Broker. It shall be the responsibility of the Client to review, immediately upon receipt, all confirmation of orders, transactions, or cancellations. It shall be the responsibility of the Client to follow up with the Stock Broker for all such confirmations that are not received by him within stipulated time.
34. The Client shall bring any errors in any report, statement, account, confirmation or contract note of executed trades (including executions prices, scrips, or quantities) issued on daily basis to the Stock Broker's notice in writing or by an electronic mail in accordance with Rules, Regulations and Bye-Laws of the relevant Stock Exchange that may be in force from time to time and/ or as may be decided by the company.
35. There may be a delay in the Stock Broker receiving reports of transaction(s)/status from the respective exchanges or other agencies in respect of or in connection with which the Stock Broker has entered into contracts or transactions on behalf of the Client(s). Accordingly the Stock Broker may forward to the Client late reports in respect of such transactions that were previously unreported to him as being expired, cancelled or executed. The Client shall not hold the Stock Broker responsible for any losses suffered by the Client on account of any late reports, statements or any errors in the report/statements computed by, or received from the Exchange.
36. The Client agrees that if, in any circumstance or for any reason, the market closes before the acceptance of the order by the Exchange, the order may be rejected. The Client agrees further, that the Stock Broker may reject orders if the same are rejected by the Exchange for any reason. In case of rejection of an order due to rejection by the Exchange, the Client agrees that the order shall remain declined and shall not be reprocessed, in any event.
37. The Stock Broker based on its risk management system may reject any order placed on the Website or in any other manner for any reason including, but not limited to, the non-availability of funds in the trading account of the Client, non-availability of securities in the Demat account of the Client with a designated depository participant, insufficiency of margin amount if the Client opts for Intraday margin trading, suspension of scrip for trading activities by or on the Exchange, and the applicability of circuit breaker to a scrip in which orders are placed to disruptions, breakdowns or failures. In the event of non-execution of trade orders or trade cancellation due to the happening of such events or vulnerabilities due to failure/disruption/breakdown of system or link, the Client may not be able to execute the desired transactions. In such event the Stock Broker does not accept responsibility for the losses, costs, expenses or damages that may be incurred by the Client due to such eventualities.
40. Cancellation or modification of requests:
  - a) Due to technical or other factors the confirmation may not be immediately transmitted to or received by the Client and such a delay shall not entitle the Client to presume that the order has not been executed, cancelled or modified unless and until the Stock Broker has confirmed the same in writing.
  - b) The Client agrees that any request for cancellation or modification of an order/bid/application shall be subject to such order/bid/application not having been acted upon or already having been executed or it being outside the control of the Stock Broker to undertake the cancellation or modification to such order/bid/application.
41. The Stock Broker shall issue contract notes in terms of the SEBI (Stock Brokers and Sub-Brokers) Rules and Regulations, 1992 within 24 hours of the execution of the trade. Such contract notes may be sent by a digitally signed electronic mail and posted on the Website or if issued in physical form, shall be dispatched by the Stock Broker by courier/mailpost or through any other medium of communication, at the address mentioned in the Application for opening the trading account for at any other address expressly informed to the Stock Broker by the Client in writing.

If the Client consents and agrees to the Stock Broker issuing the contract note in digital form and receiving the same by means of electronic communication. The Client acknowledges and agrees that non-receipt of bounced mail notification by the Stock Broker shall amount to delivery of the contract note at the e-mail ID of the Client. The email address of the Client for the purpose of receiving the contract notes shall be the address as available with the Stock Broker. Notwithstanding anything contained herein, the Stock Broker may send contract notes, bills or statements of account or trade confirmations by email or by courier/ mail post at the



address mentioned in the client registration form or at any other address expressly informed by the Client. The Stock Broker shall not be responsible for non-receipt of trade confirmations/ contract notes due to any change in the correspondence address of the Client and the same not intimated to the Stock Broker in writing. The Client is aware that it is his responsibility to review trade confirmations, contract notes, bills or statements of account immediately upon their receipt. All information contained therein shall be binding upon the Client, if the Client does not object to the Stock Broker in writing to any of the contents of such trade confirmation / intimation within appropriate time.

42. Any communication if sent by the Stock Broker in electronic form shall be to the designated e-mail address of the Client or through access to the web site of the Stock Broker. The client may request stock broker to sent electronic contract notes, margin statement /report, statements of funds and securities, daily activity statement (DAS) and other communications & reports to the email id of the client registered with the company.
43. In the event of the Stock Broker unable to recover any amount due from the Client from the bank account of the Client, the Client agrees to pay the amount due without demur on demand being made by the Stock Broker in that regard. The Client also authorizes the Stock Broker to sell securities of the Client to recover dues owed by the Client to the Stock Broker.

**G. Conditions governing trading in securities other than on the floor of the stock exchange**

44. The Client undertakes to read all the relevant offer documents and terms and conditions of all schemes of all mutual funds, other securities including Initial Public Offerings, Follow up offers, Buy Back Offers, other investment etc before entering into any transactions.
45. The Stock Broker or the concerned Mutual Fund/Issuer/agency or their respective registrars may entertain online transaction requests and/or requests made through telephone in the manner provided under these terms and conditions or on the Website.
46. For change of address and personal details of the Client, the Client shall send a letter to the Stock Broker duly signed by all the co-holders.
47. The Client is requested to check up the personal and bank related details provided by him. Neither the Stock Broker nor any of the Mutual Funds/Issuers/agency chosen shall accept any liability that may arise as a consequence of the erroneous information provided by the Client.
48. In case of Mutual Fund, the units of schemes shall be allotted, redeemed or switched, as the case may be, at the Net Asset Value (NAV) prevalent on the date of the application, if the application for purchase, redemption or switch is received by the Fund Houses before the cut off time as specified on the Website and consistent with terms of the Scheme. The Stock Broker shall take all necessary action to ensure that the NAV allotted is the NAV applicable on the date of the transaction with the Mutual Fund. However the Stock Broker shall not be liable for any loss that may arise to the Client as a result of the correct NAV not being allotted to the Client's transactions. Any request falling due on holiday would be processed on the next business day and respective NAV would be applicable as per the Mutual Fund offer document.
49. In case of other securities or financial products, the order for purchase, sale, offer under buy back etc. shall be accepted by the Stock Broker only if the same is received by the cutoff date as indicated on the Website and consistent with the terms of the offer.
50. The Client can view his/her/its transactions on the Website.
51. The Stock Broker does not accept any liability for delay in processing time at the Mutual Fund's/Issuers/Registrars end delay or loss of data and in circumstances of acts of God, fire, floods, earthquake, tsunami, epidemics, quarantine, riot, civil commotion, act of terror, war, and act of state.
54. Subscription to Initial Public Offerings (IPO) and follow on others: The Client agrees that in the event of the Client applying for IPO through the Website or otherwise through the Stock Broker, the Stock Broker shall not be held responsible for non allotment of securities either fully or partly to the Client, for any reason whatsoever. The Stock Broker shall not be held responsible for any reason whatsoever if the bid/application/revision instruction sent by the Client is not received by it, or if the bid/ application/revision could not be uploaded to the Stock Exchange, or could not be sent to the Banker / Registrar to the issue. The Stock Broker shall not be held responsible for non-receipt or delay in correct receipt of refund, if any, from the Issuer Company. The Stock Broker shall not be held responsible for incorrect Tax deduction at Source by the Issuer Company, if applicable, or for non-receipt or delay in correct receipt of TDS certificate, if any, from the Registrar/ Company.
55. Online Subscription to Mutual Funds through the Website: The Client agrees that-
  - a. Any prior transactions of the Client shall continue to be with the existing folio maintained with the respective AMCs/ Registrars and the Client shall not make any transactions under the existing folio through the Website. In such event the AMC/Registrar may reject the transaction and the Client shall not hold the Stock Broker or AMC/Registrar responsible.
  - b. The Client authorizes the AMC/Registrars to maintain a separate folio for investment made through the Website.



- c. The Client authorizes the Stock Broker to create only one issuer folio for the client per AMC in their books.
- 56. The Stock Broker shall not be liable for any failure or for any loss, damage or other costs arising in any way out of:
  - a. System failure including failure of ancillary or associated systems or fluctuation of power, or other acts of God/force majeure;
  - b. Accident, transportation, neglect, misuse, errors, frauds of the Client's or agents or any third party; or
  - c. Any fault in any attachments or associated equipment of the Client;
  - d. Any incidental, special or consequential damages including without limitation of loss of profit.'
- 57. The client agrees that the stock broker may send any document that is obligatory to be send to the client by means of electronic communications. These electronic communication may be in the fonn of e-mail attachments. The stock broker would be deemed to have fulfilled its legal obligation to deliver the documents to the client, if it is send by electronic mode.

#### **H. Banking / Depository relationship and Bank / Depository account(S):**

- 58. The Client agrees that the Stock Broker may, at any time, during the subsistence of any arrangement relating to the subject matter of these presents, require the Client to open accounts with a bank and a depository participant which shall be updated with stock broker. The Client agrees that the debit/credit for all the transactions may be effected in this/these accounts.
- 59. The Client agrees that to the extent permitted by the law for the time being in force, any instructions issued or given by the Stock Broker pursuant to the authority conferred upon the Stock Broker, if any, will be given first priority over any instructions or cheques given or issued by the Client and that funds or securities once blocked on the instructions of the Stock Broker in connection with a trade/ transaction entered into or to be entered into by the Client or on behalf of the client with or through the Stock Broker can be released only with the express written consent of the Stock Broker. The Client further agrees that if the Stock Broker has given any blocking, holding, debit or other instructions in respect of any funds or securities in connection with a trade/ transaction entered into or to be entered into by the Client with or through the Stock Broker and the designated bank and/ or the depository participant receives transfer, debit or other instructions in respect of such funds or securities from the Client or any other person, then such bank and/ or the participant shall first give effect to the instructions issued by the Stock Broker on a first priority basis.
- 60. The Client agrees to ratify and confinn all acts, deeds, matters and things that the Stock Broker may do pursuant to such authority as if the same were done by the Client himselfftself.
- 61. The Client agrees that orders, instructions and other communication given or made over the telephone may be routed through the Stock Broker's interactive voice response or other telephone system and may be recorded by the Stock Broker. The Client also agrees that such recording and the Stock Brokers records of any orders, instructions and communication given or made by the Client or the Stock Broker by electronic mail, fax, or other electronic means shall be admissible as evidence and shall be final and binding evidence of the same.
- 62. The Client agrees that the Stock Broker shall have the right at any time during the subsistence of the trading account, and hereby authorizes the Stock Broker, to give any instructions pursuant to transactions executed in the trading account and/or these terms and conditions with the designated bank. The client agrees that he shall have no cause of action in respect of any instruction that may be given to the bank in respect of the accounts maintained with such bank in pursuance of these presents and hereby agrees to ratify and confinn all that the Stock Broker or such bank may do pursuant to such authority.
- 63. The Client agrees that in the event, the designated bank tenninates the agreement/its relationship with the Client in respect of the bank account maintained by the Client with the designated bank for any reason or infonns the Stock Broker of any misdemeanor or transgression by the Client in the operation of the account or in any other circumstance resulting in the closure or in operation of the said bank account with the designated bank, the Stock Broker may, at its discretion, suspend its

#### **I. Trading account and maintenance thereof:**

- 65. The parties hereto agree as follows:
  - a. Money pay in to Stock Broker: The Client agrees that all payments due to the Stock Broker will be made within the specified time and in the event of any delay, the Stock Broker may refuse, at its discretion, to carry out transactions on behalf of the Client. The Client agrees that alternatively, the Stock Broker may, at its sole discretion, square off such transactions or closeout the position and the costs/losses if any, thereof shall be borne solely and completely by the Client. All payments made to the Stock Broker shall be from the account of the Client and shall not be from any third party.
  - b. Securities pay in to Stock Broker: All delivery to be effected to the Stock Broker for a trade must be made within 24 hours from the execution of the sale order or 1 day prior to pay in date whichever is eartier, or at time of placing trade order at sole discretion of the Stock Broker. Losses, if any, that may accrue in the



event of default in completing the delivery on the Exchange by the Stock Broker as a result of any delay in the delivery by the Client shall be borne solely and completely by the Client. Losses for the purposes of this clause shall include auction debits/penalty charges, interest etc, if any incurred as a result of non-delivery of securities on the settlement date on the Exchange. No third party shares will be sold through the Stock Broker or third party payment shall be made to the Stock Broker. If the Client has sold any securities in anticipation of receipt of securities from the Exchange against purchase in previous settlements, such sale shall be at the sole risk as to costs and consequences thereof of the Client.

- c. Securities pay out by Stock Broker: The Stock Broker may directly credit the demat account of the Client with the depository participant. Provided that if the order placed by the Client through the Website or otherwise is for securities which are in the no delivery period, such securities shall be credited to the trading account of the Client only at the time of settlement of trades, as per the schedule of the Exchange. However if any sum is due from the Client, the Stock Broker may withhold the credit of securities to the demat account of the Client. The Client authorizes the Stock Broker to withhold the securities to meet liabilities of Client to the Stock Broker under these terms and conditions.
- d. Stock Broker at its discretion is entitled to consider any sum or money or security lying to the credit of the Client as margin received.

**J. Representations and Warranties:**

- 66. The Client hereby warrants that he is capable of the dealing in securities and is aware of the risks in dealing in securities market.
- 67. Though these terms and conditions have been divided into sections governing transactions in various segments/ services, the same shall be binding on the parties in their entirety. Confirming these terms and conditions governing transactions in multiple segments/services shall not be a reason for disputing any transaction or account of Client with Stock Broker.
- 68. The Client states that he has opened/agrees to open a valid and subsisting demat account with the depository participant suggested by the Stock Broker.
- 69. The Client agrees to provide and continue to provide all details about him/themselves as may be required by the Stock Broker including, but not limited to, PAN or Unique Identification Number (mandated by SEBI) and states that all details and facts represented to the Stock Broker are true.
- 70. The Client warrants that all or any securities deposited by him with the Stock Broker in respect of margin requirements or otherwise are owned by him and that the title thereof is clear and free of encumbrances.
- 71. The Client shall abide by the provisions of the Exchange and the terms and conditions stipulated by the member and in force from time to time. Any changes in the terms and conditions governing the provisions of E-Trading services would be intimated to the Client by electronic mail at sole discretion of the Stock Broker.

**K. Fees and Brokerage**

- 72. Commissions, Brokerage and charges/interest: All commissions and charges leviable on transactions in securities pursuant to these terms and conditions shall be payable as mentioned below:
  - a. The Client agrees to pay the Stock Broker brokerage, commission, fees, transaction charges, GST, stamp duty, SEBI turnover charges, securities transaction tax and other taxes as they exist from time to time and as they apply to the Client's account and transactions, and for the services that he receives from the Stock Broker. Any revision in brokerage will be made only after giving 15 days notice by way of communication through email. The Stock Broker shall charge brokerage to the Client at a rate as intimated and as may be mutually agreed and modified from time to time. The stock broker may specify different structure of charges for executing transaction instructions received from the client through different channels and the client agrees to abide by such structure of charges.
- 73. User Fees/Other Charges: The Client agrees that the Stock Broker may charge user fees for the use of any other services including but not restricted to E-Trading ancillary services, use of website platform and dialup services at rates intimated and as modified from time to time with prior notice of 15 days. The Stock Broker may charge any other relevant charge in the manner intimated from time to time including but not limited to membership fees, subscription fees, renewal fees, access fees, commissions, GST, Turnover Charges, Tax Expenses incurred, Stamp duty, interest etc. as applicable.

**L. Default**

- 74. The Client agrees that he shall be deemed to have defaulted these terms in circumstances including, but not restricted to the following:
  - a. Any delay in payment of dues, margins, charges/interest or delivery of securities in respect of the transactions executed by the trading member on behalf of the Client.
  - b. Any misrepresentation or false statement or omission or misleading information supplied by the Client to the Stock Broker.



**M. Consequences upon default**

75. In the event of default under these terms and conditions by the Client, the Stock Broker shall be entitled to any or all of the following courses of action:
- Termination of provision of services.
  - Other remedies as may be available in terms of the law in force at that point of time.
  - Arbitration as provided in the Rules, Regulations of the Exchange(s).

**N. Lien I set off**

76. Notwithstanding anything contrary contained in these terms and conditions, the Stock Broker shall have unrestricted right of lien and set off.
77. All funds of the Client in the account shall be subject to lien for the discharge of any or all payment due to the Stock Broker from the Client, whether under these terms and conditions or otherwise, or in respect of any other obligation that Client may have to the Stock Broker.
78. All securities with the stock broker shall be subject to lien for the discharge of any or all payments due to the Stock Broker, whether under these terms and conditions or otherwise and may be held by the Stock Broker and held as security against default by the Client in respect of the services already availed of by the Client.
79. The enforcement of the lien aforementioned shall be at the sole and complete discretion of the Stock Broker, and the Stock Broker alone may decide the securities to be sold, if any.
80. The Client authorizes the Stock Broker to block funds/ledger balance/securities against pending order or pledge securities in favour of the Stock Broker against any of his dues/margins.
81. a. The client authorizes the stock broker to pay on behalf of the client the amounts due from the client towards demat charges, charges payable to other service providers associated with [www.klaysecurities.in](http://www.klaysecurities.in) and also recover / adjust the above payment from the clients are maintained with the stock broker.
- b. The client requests the stock broker to adjust account balances due on account of one Exchange with another exchange and vice versa.

**O. Indemnity**

82. The Stock Broker shall be indemnified by the Client in case of any action initiated against Stock Broker by any party not privy to this contract and it shall be the duty of the Client to bear out of their funds all costs, losses and expenses which Stock Broker may incur or become liable to pay by reason of any event in the course of the use of the said services to the Client.
83. The Client shall indemnify and keep indemnified the Stock Broker harmless from and against all claims, demands, actions, proceedings, loss, damages, liabilities, penalties, fines, levies, imposts, charges, interest and/or expenses that are occasioned or may be occasioned to the Stock Broker directly or indirectly as a result of bad delivery of shares/securities and/or as a result of fake/forged/stolen shares/securities/transfer documents that are introduced by or through the Client during the course of his dealings/operations on the Exchange.
84. The Client shall indemnify and keep indemnified the Stock Broker harmless from and against all claims, demands, actions, proceedings, loss, damages, liabilities, penalties, fines, levies, imposts, charges, interest and/or expenses that are occasioned or may be occasioned to the Stock Broker directly or indirectly on account of a breach by the Client of its representations, warranties, covenants, undertakings and obligations herein.
85. The Client hereby agrees to indemnify the Stock Broker against any loss, costs, expenses etc that may be suffered by the Stock Broker or against any claim, demand, action, proceeding that may be initiated against the Stock Broker or its agents, or non compliance of any applicable rules and regulations or arising out of or in connection with breach of any of the Client obligations under these terms and conditions or any modification thereto.

**P. Miscellaneous and other terms and provisions**

86. Stock Broker may adopt any such processes or procedures to verify the genuineness of the Client and the documents submitted by the Client from time to time and Client agrees to comply with such processes and procedures. Such processes and procedures may involve appointment by Stock Broker of an outside agency and the Client does not object to the same.
87. The invalidity or unenforceability of any provisions of these terms and conditions in any jurisdiction shall not affect the validity, legality or enforceability of the remainder of the terms and conditions in such jurisdiction or the validity, legality or enforceability
88. The heading of each provision hereof is for descriptive purposes only, and shall not be deemed to modify or qualify any of the rights or obligations set forth in each such provision.



89. The Client shall at all times continue to be responsible for any transactions ordered on his accounts prior to the cancellation of the services. If the service is withdrawn for a reason other than the breach of the terms and conditions by the Client, the liability of the Stock Broker shall be restricted to the return of the pro rata annual charges, if any, recovered from the Client for the period in question. The closure of the accounts of the Client shall automatically terminate the web based brokerage service facilitated by the Website and the Stock Broker may suspend or terminate E-trading services without prior notice if the Client has breached these terms and conditions or it learns of the death, bankruptcy or legal incapacity of the Client.
90. No forbearance, relaxation, failure or delay by the Stock Broker in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise of any other right, power or privilege. The rights and remedies available to the Stock Broker herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.
91. Investment or other advice
- The Client agrees that none of the services available on the Website or through any literature or brochure issued by the Stock Broker shall amount to investment advice on the part of the Stock Broker.
  - The Client may access or be able to access investment research reports or opinions through the Internet or the Website including but not limited to computerized online services or other media. The availability of such information does not constitute a recommendation to buy or sell or hold or transact in any of the investment products or securities available or made available with or by the Stock Broker. Any and all investment decisions will be based on the Client's own evaluation of financial circumstances and investment objectives and Client's assessment of capital to be put to risk. Any real time quotes provided are only for Client's individual use and Client shall not furnish such data to others.
  - The Client agrees that each participating exchange or association or agency or individual or person that supplies any data displayed on the Website asserts a proprietary interest in such data. Neither the Stock Broker nor any participating exchange or association or agency or individual or person or any supplier of market or market based data guarantee the timeliness, sequence, accuracy, completeness, reliability or content of market information, or messages made available on the Website and the same are available on an "as is" basis without warranties of any kind, either express or implied including without limitation those of merchantability and/or fitness for a particular purpose.
92. Modifications
- Any modification to these terms and conditions shall be intimated to the Client by email.
93. No Waiver: The failure on the part of the Stock Broker from taking any action against the Client for any breach or breaches of these terms and conditions shall not constitute a waiver by the Stock Broker of any subsequent or continuing breach thereof by the Client.
94. Force Majeure: The Stock Broker shall not be responsible for delay or default in the performance of its obligations due to contingencies beyond its control including but not limited to losses, delays or defaults caused directly or indirectly by Exchange or market rulings, suspension of trading, fire, flood, civil commotion, earthquake, war, tempest, arson, riot, act of state, act of terror, strikes, failure of the systems or network, failure of internet links, or government/regulatory action.
95. In these terms and conditions the singular shall include the plural where the context so admits and vice versa.
96. The masculine shall include the feminine and the neutral and vice versa.
97. The Client agrees to abide by operational procedures laid down by the Stock Broker regarding banking transactions, demat transactions, billings etc. and any changes made therein to these procedures from time to time and mentioned on the Website.
98. The Stock Broker may send bill or any other information to the Client through mail post/courier/electronic form or through any other medium of communication.
99. Prevention of Money Laundering Act, 2002 the client shall always be subject to the provision of Prevention of Money Laundering Act, 2002 and Rules, Guidelines framed there under and any amendments / modification thereto from time to time. Clients hereby agree to abide by the said Act, Rules and Regulation or guidelines. The stock broker shall not be held responsible for non compliance of any applicable rules and regulations or breach of any of the Rules and Regulation or guidelines by the client.
100. Jurisdiction
- Indian Jurisdiction: The Stock Broker and the Client declare and agree that the transactions executed on the Exchange are subject to the Rules, Byelaws and Regulations and circulars issued there under of the Exchange and all parties to such trade shall have submitted to the jurisdiction of such court as may be specified by the Bye Laws and regulations of the Exchange for the purpose of giving effect to the provisions of the Rules, Bye Laws and Regulations of the Exchange and the circulars issued there under. The Stock Broker hereby agrees that it shall ensure faster settlement of any arbitration proceedings arising out



of the transactions entered in to between the Stock Broker and the Client and that it shall be liable to implement the arbitration awards made in such proceedings.

- b. **Foreign Jurisdiction:** This service does not constitute an offer to sell or a solicitation of an offer to buy any shares, securities or other instruments to any person in any jurisdiction where it is unlawful to make such an offer or solicitation. This service is not intended to be any form of an investment advertisement, investment advice or investment information other investments regarding the legality of an investment therein under the respective applicable investment or similar laws or regulations of any person or entity accessing the website.
101. The Stock Broker discloses herewith that it undertakes proprietary trading from time to time.
102. Without limiting the generality of the foregoing, the Stock Broker specifically disclaims any guarantee or warranty that (a) the E Trading Services will be secure, uninterrupted or error free (b) that there are no viruses or harmful content on or in the Website or the E-Trading Services, or (c) that the content on the Web Site are correct, accurate, reliable, timely, legal and of any specific quality.
103. The client authorizes the Stock Broker to share the Client related information with its group companies specified on its website, and with service providers rendering service to the Client. The Client agrees that under no circumstances, including negligence, shall the Stock Broker or anyone involved in creating, producing, delivering or managing the E-Trading Services be liable for any direct, indirect, incidental, special, general, remote or consequential damages arising out of the use or inability to use or the availability or non-availability of the said services including, but not limited to loss or damage in relation to, (a) loss of profits, trading losses, loss of opportunity or damages that result from interruption, delay or loss of the use of the service (b) any claim, loss or damage attributable to errors, omissions or other inaccuracies in the content or data on the Web Site, (c) any unauthorized use, access or alteration or discontinuance of the said services, or (d) any other matter relating to the said services. Certain securities may grant the holder thereof valuable rights, that may expire unless the holder takes action. The Client shall be responsible for knowing the rights and terms of all securities acquired by the Client and the Stock Broker shall not be obliged to notify the Client of any upcoming expiration or redemption dates, or take any other action on the Client's behalf, except as required by law and applicable Exchange provisions. The Client shall also be responsible for knowing about re-organizations related to securities which the Client holds including, but not limited to stock splits. If due to a reorganization or book-keeping or data entry error, the Client sells more security than what is actually owned by the Client, then the Stock Broker shall not be responsible for any losses that the Client may incur by reason thereof. The Client agrees that the Stock Broker, its directors, employees, group companies of stock broker shall not be liable or responsible for any loss or liability caused or incurred directly or indirectly due to any act or omission of the Client or any loss of opportunity, actual or perceived, caused directly or indirectly by government restrictions, change in law, act of God, Exchange or market rulings or regulation, suspension of trading, war, earthquakes, fire, flood, accident, strikes, power failure, communication line failure, system or telephone failure, security failure on the internet, equipment, computer, communication, telephone, system or software failure, malfunction, hacking, unauthorized access, theft, strikes, or any problem, technological or otherwise, that might prevent the Client from entering, or the Stock Broker from executing an order, or any other conditions beyond the Stock Broker's control. The Stock Broker shall not be liable for any error or delay in, or omission from, any data, information, or message on the Web Site, the E Trading Service and/ or the broking trading services generally, or the delayed interrupted or improper transmission or delivery of any data, information, or message, or any loss or damage arising from or occasioned by the above. Further, the Stock Broker shall not be liable for any failure to execute an invalid, incomplete or inaccurate Client order. The Client understands and agrees that the services offered by the Stock Broker herein are being provided by the Stock Broker with the assistance and technology of some third parties. The Stock Broker disclaims liability and responsibility, and the Client agrees and accepts that the Stock Broker shall not be liable or responsible, for and in relation to any and all loss or damage (real or notional) incurred or suffered by the Client or anyone else as a result of any action, advice, failure or default attributable to such third party.
104. **Notice** Any notice, information or other communication to be given by the Client to the Stock Broker in connection with these terms and conditions shall be in writing and shall be deemed duly served if delivered personally or by prepaid registered post to the address being: Klay Securities Private Limited A-802, Crescenzo, C/ 38-39, G Block, Bandra Kurla Complex, Mumbai - 400051, India. Any notice, to be given by the Stock Broker to the Client in connection with these terms and conditions shall be in writing and shall be deemed duly served if sent, by courier or prepaid registered post to the address, or the e-mail address available with the Stock Broker. Notwithstanding anything stated above, communication relating to order, margins/ collateral, maintenance calls and other similar matters by the Stock Broker to the Client may at the option of the Stock Broker, be communicated to the clients or its representative orally and/or by facsimile/mail/posting on the website by the Stock Broker.
105. The client may terminate this letter of confirmation document at any time by giving a notice of 30 days to Klay Securities Private Limited. In such an eventuality, Klay Securities Private Limited may terminate the trading facility offered to the client.