

# **UKS FOREX PRIVATE LIMITED**

Flat No. 203, Diamond House, Behind Topaz Building, Punjagutta, Hyderabad – 500 082.

Phone No. +91 40 23416703, 04, 05 Fax No. +91 40 66832642.

Website [www.leoglobalindia.com](http://www.leoglobalindia.com) E- Mail Id:info@leocommodities.com

## **Member of:**

Metropolitan Stock Exchange of India Limited (MSEI)

NATIONAL STOCK EXCHANGE OF INDIA LIMITED (NSE-CDS)

## **SEBI Registration No.**

<b>MSEI : INE261008037 05th November 2008</b>	<b>Trading Member, (Member Id: 56000)</b>
<b>NSE : INE 231008033 21<sup>st</sup> March, 2012</b>	<b>Trading Member : (Member Id 10080)</b>

## **Broker Client Agreement Form For Corporate**

Name of Client:

Client Code:

**Date of Agreement:**

MSEI:

NSE-CDS:

Client Name:

Client Signature .....

## **ABBREVIATIONS**

UKSF	UKS FOREX PRIVATE LIMITED.
SEBI	Securities & Exchange Board of India
MSEI	Metropolitan Stock Exchange of India Ltd.
USE /USEIL	United Stock Exchange of India Limited
NSEIL	National Stock Exchange of India Limited
CD / CDS	Currency Derivatives Segment
Broker	UKS FOREX PRIVATE LIMITED.
Stock Broker	UKS FOREX PRIVATE LIMITED
Trading Member	UKS FOREX PRIVATE LIMITED
Member	UKS FOREX PRIVATE LIMITED
Constituent	Client
KYC	Know Your Client Form
RDD	Risk Disclosure Document
PMLA	Prevention of Money Laundering Act, 2002
PAN	Permanent Account Number
DP	Depository Participant
ROC	Registrar of Companies
HUF	Hindu Undivided Family
MICR	Magnetic Ink Character Recognition
ECN	Electronic Contract Note

**Client Name:**

**Client Signature .....**

**Dear,**

**We welcome you to UKS FOREX PRIVATE LIMITED. We will be glad to have you as our esteemed client and it will be our constant Endeavour to offer you an amiable association.**

**We, at UKS Forex, promise you ethical business practice and prompt services at all times.**

**We request you to complete all formalities required for Formalizing our relationship.**

**With Best Regards,  
Uttam Singhal.,  
Managing Director**

**Client Name:**

**Client Signature .....**

# UKS FOREX PRIVATE LIMITED

## Registered Office & Correspondence Address:

Flat No. 203, Diamond House,

Behind Topaz Building,

Punjagutta, Hyderabad – 500 082.

Phone No. +91 40 23416703, 04, 05

Fax No. +91 40 66832642.

Email Id: [info@leocommodities.com](mailto:info@leocommodities.com), Website: [leoglobalindia.com](http://leoglobalindia.com)

## Compliance Officer:

Mr. Ramakant Singhal,

Phone No. +91 40 23416703, Email Id: [abhishek@leocommodities.com](mailto:abhishek@leocommodities.com)

## SEBI Registration No.

MSEI: INE261008037 05 <sup>th</sup> November 2008	Trading Member., (Member Id: 56000)
NSE : INE 231008033 21st March, 2012	Trading Member : (Member Id 10080)

For any grievance / dispute please contact us at the above address or email us at the Investor Grievance Email ID: [complaints@leocommodities.com](mailto:complaints@leocommodities.com) or call us at the above mentioned numbers. In case not satisfied with the response, please contact the concerned exchanges(s).

MSEI: <a href="mailto:investorcomplaints@msei.in">investorcomplaints@msei.in</a> Phone No.: 022 67318933, 9000	NSE-CD : <a href="mailto:ignse@nse.co.in">ignse@nse.co.in</a> Phone No.: 022 2659 8190
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## Clearing Member for MSEI -CDS, NSE-CDS segments

**AXIS Bank Limited.,**

### Regd Office:

Trishul, 3rd Floor, Opp. Samartheshwar Temple,  
Law Garden, Ellis Bridge, Ahmedabad.

### Dealing Office:

Capital Market Division, Jeevan Prakash Building,  
SIR P.M Road, Fort Mumbai – 400 001.

Phone No. +91 22 66107252, 55

Email Id: [P.OZA@axisbank.com](mailto:P.OZA@axisbank.com)

SEBI Registration Nos.        MSEI: INE261313634.  
   NSE: INE231308037

**Client Name:**

**Client Signature .....**

## Instructions for filling up and completing the Account Opening Form

1. Please read the document carefully and fill up properly in all respects, by your own hand.
2. Please sign all the documents attached with the Form.
3. Pin Code is compulsory in the address.
4. Please affix signature wherever “\_”mark is found.
5. Please produce original documents for verification at the time of submission of the Form.
6. Witness name and address required.
7. Overwriting, corrections etc. require signature of account holder.
8. Please sign all the Xerox copy of proof provided.
9. Please fill up the form in Capital “LETTERS”.
10. Clients are requested to immediately intimate the Trading Member for any change in name, Address, DP / Bank, Director(s) / Karta / Partner(s) etc.
11. Please provide the name and signature of the persons authorized for collection of contract notes, Cheque and other documents from the office of trading member in page no. 32 of this form.
12. The client should renew his financial details like income tax return, balance sheet, shareholding Pattern etc. once in every year.
13. In case of Non-Individual clients, please affix rubber stamp with signature.

### FOR OFFICE USE ONLY

Name of the Client	
Client Code Allotted	

Client Name:

Client Signature .....

# UKS FOREX PRIVATE LIMITED

MSEI: INE261008037 05 <sup>th</sup> November 2008	Trading Member., (Member Id: 56000)
NSE : INE 231008033 21st March, 2012	Trading Member : (Member Id 10080)

## INDEX OF DOCUMENTS

S. No.	Name of the Document	Brief Significance of the Document
<b>MANDATORY DOCUMENTS AS PRESCRIBED BY SEBI &amp; EXCHANGES</b>		
1	Account Opening Form	A. KYC form - Document captures the basic information About the constituent and an instruction/check list.(Page No.10 -15) B. Document captures the additional information about the Constituent relevant to trading account and an instruction/check list.
2	Rights and Obligations	Document stating the Rights & Obligations of stock broker/trading member, sub-broker and client for trading on Exchanges (including additional rights & obligations in case of internet/wireless technology based trading). (Page No.19-22)
3	Risk Disclosure Document (RDD)	Document detailing risks associated with dealing in the Securities market. (Page No.16-18)
4	Policies and Procedures	Document describing significant policies and procedures of the stock broker (Separate Booklet) (Page No.28-32)
5	MCA	Member Client Agreement Form.
6	Tariff Sheet	Document detailing the rate / amount of brokerage and other charges levied on the client for trading on the stock exchanges (Page No.36)
<b>VOLUNTARY DOCUMENTS AS PROVIDED BY THE STOCK BROKER</b>		
1	Running Account Authorisation Letter	Running Account Authorisation Letter (PageNo.34)
2.	Pro Account	Letter Intimating Client about Pro Trading(Page No.35)
3.	Declaration of Email ID / Mobile Number	A client desirous of receiving trade alerts / calls for his / her trades done has to give a written authorisation and It should be signed by the client only. The client has to Provide a mobile number.(Page No.34)
4.	Voluntary declaration under PMLA 2002	This document is required for further information with regard to PMLA 2002.(Page No.24-27)
5.	Authorisation to receive Documents Electronically	A client desirous of receiving documents electronically has to give a written authorization and it should be signed by the client only. The client has to provide an email id. Any change in the email id has to be communicated in writing.(Page No.38)

**Client Name:**

**Client Signature .....**

## INSTRUCTIONS/CHECK LIST FOR FILLING KYC FORM

### **A. IMPORTANT POINTS:**

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

### **B. Proof of Identity (POI): - List of documents admissible as Proof of Identity :**

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

### **C. Proof of Address (POA): - List of documents admissible as Proof of Address: (\*Documents having an expiry date should be valid on the date of submission.)**

1. Passport/ Voters Identity Card/ Ration Card/ Registered Lease or Sale Agreement of Residence/ Driving License/ Flat Maintenance bill/ Insurance Copy.
2. Utility bills like Telephone Bill (only land line), Electricity bill or Gas bill - Not more than 3 months old.
3. Bank Account Statement/Passbook -- Not more than 3 months old.
4. Self-declaration by High Court and Supreme Court judges, giving the new address in respect of their own accounts.
5. Proof of address issued by any of the following: Bank Managers of Scheduled Commercial Banks/Scheduled Co-Operative Bank/Multinational Foreign Banks/Gazetted Officer/Notary public/elected representatives to the Legislative Assembly/Parliament/Documents issued by any Govt. or Statutory Authority.
6. Identity card/document with address, issued by any of the following: Central/State Government and its Departments, Statutory/Regulatory Authorities, Public Sector Undertakings, Scheduled Commercial Banks, Public Financial Institutions, Colleges affiliated to Universities and Professional Bodies such as ICAI, ICWAI, ICSI, Bar Council etc., to their Members.

**Client Name:**

**Client Signature .....**

7. For FII/sub account, Power of Attorney given by FII/sub-account to the Custodians (which are duly notarized and/or apostiled or consularised) that gives the registered address should be taken.

8. The proof of address in the name of the spouse may be accepted.

**D. Exemptions/clarifications to PAN** (\*Sufficient documentary evidence in support of such claims to be collected.)

1. In case of transactions undertaken on behalf of Central Government and/or State Government and by officials appointed by Courts e.g. Official liquidator, Court receiver etc.

2. Investors residing in the state of Sikkim.

3. UN entities/multilateral agencies exempt from paying taxes/filing tax returns in India.

4. SIP of Mutual Funds upto Rs 50, 000/- p.a.

5. In case of institutional clients, namely, FIIs, MFs, VCFs, FVCIs, Scheduled Commercial Banks, Multilateral and Bilateral Development Financial Institutions, State Industrial Development Corporations, Insurance Companies registered with IRDA and Public Financial Institution as defined under section 4A of the Companies Act, 1956, Custodians shall verify the PAN card details with the original PAN card and provide duly certified copies of such verified PAN details to the intermediary.

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

1. Notary Public, Gazetted Officer, Manager of a Scheduled Commercial/ Co-operative Bank or Multinational Foreign Banks (Name, Designation & Seal should be affixed on the copy).

2. In case of NRIs, authorized officials of overseas branches of Scheduled Commercial Banks registered in India, Notary Public, Court Magistrate, Judge, Indian Embassy /Consulate General in the country where the client resides are permitted to attest the documents.

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

**Corporate**

- Copy of the balance sheets for the last 2 financial years (to be submitted every year).
- Copy of latest share holding pattern including list of all those holding control, either directly or indirectly, in the company in terms of SEBI takeover Regulations, duly certified by the company secretary/Whole time director/MD (to be submitted every year).
- Photograph, POI, POA, PAN and DIN numbers of whole time directors/two directors in charge of day to day operations.
- Photograph, POI, POA, PAN of individual promoters holding control - either directly or indirectly.
- Copies of the Memorandum and Articles of Association and certificate of incorporation.
- Copy of the Board Resolution for investment in securities market.
- Authorised signatories list with specimen signatures.

**Partnership Firm**

- Copy of the balance sheets for the last 2 financial years (to be submitted every year)
- Certificate of registration (for registered partnership firms only).
- Copy of partnership deed.
- Authorised signatories list with specimen signatures.
- Photograph, POI, POA, PAN of Partners.

**Trust**

- Copy of the balance sheets for the last 2 financial years (to be submitted every year).
- Certificate of registration (for registered trust only).
- Copy of Trust deed.
- List of trustees certified by managing trustees/CA.

**Client Name:**

**Client Signature .....**



- Photograph, POI, POA, PAN of Trustees.

#### **HUF**

- PAN of HUF.
- Deed of declaration of HUF/ List of coparceners.
- Bank pass-book/bank statement in the name of HUF.
- Photograph, POI, POA, PAN of Karta.

#### **Unincorporated association or a body of individuals**

- Proof of Existence/Constitution document.
- Resolution of the managing body & Power of Attorney granted to transact business on its behalf.
- Authorized signatories list with specimen signatures.

#### **Banks / Institutional Investors**

- Copy of the constitution/registration or annual report/balance sheet for the last 2 financial years.
- Authorized signatories list with specimen signatures.

#### **Foreign Institutional Investors (FII)**

- Copy of SEBI registration certificate.
- Authorized signatories list with specimen signatures.

#### **Army / Government Bodies**

- Self-certification on letterhead.
- Authorized signatories list with specimen signatures.

#### **Registered Society**

- Copy of Registration Certificate under Societies Registration Act.
- List of Managing Committee members.
- Committee resolution for persons Authorised to act as Authorised signatories with specimen signatures.
- True copy of Society Rules and Bye Laws certified by the Chairman/Secretary.

#### **Note:**

All the Enclosure must be sign by the Authorised signatory. (In case of Corporate Seal is Required)

2No's Account Payee Cheque's in Favor of M/s UKS FOREX PRIVATE LIMITED.,

A Cheque for Rs. 500/- towards Trading Account Opening Form charges in Favor of M/s UKS FOREX PRIVATE LIMITED.,

**Client Name:**

**Client Signature .....**

**Know Your Client (KYC Form)**

To,  
**M/s. UKS FOREX PRIVATE LIMITED.,**  
National Stock Exchange of India Limited. (NSEIL)  
**Trading Member Id: 10080 : SEBI Registration No. INE231008033.**  
**Clearing Member: Axis Bank Limited SEBI Registration No. INE231308037**  
Metropolitan Stock Exchange of India Limited (MSEI)  
**Trading Member ID: 56000 SEBI Registration No. INE26100837**  
**Clearing Member: Axis Bank Limited SEBI Registration No. INE261313634**  
203, Diamond House, Behind Topaz Building, Punjagutta,  
Hyderabad – 500082 Phone No. +91 40 23416703 Fax No. +91 40 66832642

Please affix your recent  
Passport size photograph  
and sign across it.

**A). IDENTITY DETAILS**

Name of the Applicant			
Date of Incorporation		Place of Incorporation.	
Date of Commencement of Business:		Registration No.:	
PAN No :		Nature of Business :	
Status : Private Limited Co./Public Ltd. Co./Body Corporate/Partnership/Trust/Charities/NGO's/FI/FII/HUF/AOP/ Bank/Government Body/Non-Government Organization/Defense Establishment/BOI/Society/LLP/ Others (please specify)			

**B). Address Details**

Correspondence Address			
City		State	
Pin Code :		Country	
Contact Details Tel (Off).		Tel (Res)	
Mobile No.		Fax No.	
E-Mail Id:			
Specify the proof of Address submitted for Correspondence Address:			
Registered Office Address:			
City		State	
Pin Code :		Country	
Specify the proof of Address submitted for Registered Office Address:			

Client Name:

Client Signature .....

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



\_\_\_\_\_  
**Signature of the Applicant**  
**FOR OFFICE USE ONLY**

**Date:**

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

**For UKS FOREX PRIVATE LIMITED**

**Signature of the Authorised**

**Signatory Date**

**Seal/Stamp of the intermediary**

**Client Name:**

**Client Signature .....**

**C). OTHER DETAILS**

<b>Gross Annual Income Details</b> (please specify): Income Range per annum:	Below Rs 1 Lac 1-5 Lac 5-10 Lac 10-25 Lac >25 Lacs  <b>Net-worth as on Date:-</b> <b>(Net Worth Should Not be Older than 1 Year) Rs.</b>
<b>Name, PAN, residential address and photographs of Promoters/Partners/Karta/Trustees and whole time directors</b>	List Enclosed
<b>DIN/UID of Promoters/Partners/Karta and whole time directors:</b>	List Enclosed
<b>Please tick, if applicable, for any of your authorized signatories/Promoters/Partners/Karta/Trustees/whole time directors:</b>	Politically Exposed Person (PEP) Related to a Politically Exposed Person (PEP)
<b>Any Other Information</b>	

**D). BANK DETAILS**

<b>Bank Name:</b>			
<b>Branch Address &amp; Telephone No.</b>			
<b>Account Type</b>	<b>Saving / Current / Others : (Specify)</b>		
<b>Account Number</b>			
<b>MICR Number</b>		<b>IFSC Code</b>	
<b>Date of Opening Account</b>			

**D). DEPOSITORY ACCOUNT DETAILS**

<b>Depository Participant Name</b>	NOT APPLICABLE
<b>Depository Name ( NSDL / CDSL )</b>	NOT APPLICABLE
<b>Beneficiary Name</b>	NOT APPLICABLE
<b>DP Id</b>	NOT APPLICABLE
<b>Beneficiary Id ( BO ID )</b>	NOT APPLICABLE

Client Name:

Client Signature .....

**E). TRADING PREFERENCES****Metropolitan Stock Exchange of India Ltd. ( MSEI)****National Stock Exchange of India Limited (NSEIL)  
(Currency Derivative Segment)**

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

**PAST ACTIONS**

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

**DEALINGS THROUGH SUB-BROKERS AND OTHER STOCK BROKERS**

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

Sub-broker's Name:

SEBI Registration number:

Registered office Address:

Phone No.

Fax No.

Website :

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

Name of stock broker

Name of Sub-Broker, if any

Client Code:

Exchange:

Details of disputes/dues pending from/to such stock broker/sub- broker:

Whether you wish to receive physical contract note or Electronic Contract Note (ECN) (please specify): .....

Whether you wish to avail of the facility of internet trading/ wireless technology (please specify):

No

Number of years of Investment/Trading Experience

Client Name:

Client Signature .....

In case of non-individuals, name, designation, PAN, UID, signature, residential address and photographs of persons authorized to deal in securities on behalf of company/firm/others	LIST ENCLOSED	
Any other information		
INTRODUCER DETAILS (optional)	Name of the Introducer: <b>Mr. Saidulu Yadav</b> Status of the Introducer: Sub-broker / Remisier / Authorized Person /Existing Client / Others, please specify Address and phone no. of the Introducer: 203, DIAMOND HOUSE PUNJAGUTTA HYDERABAD 500082. CONTACT NO: 040 23416703  Signature of the Introducer:	
NOMINATION DETAILS (for individuals only)	Name of the Nominee: Relationship with the Nominee: PAN of Nominee: Date of Birth of Nominee: Address and phone no. of the Nominee:	
If Nominee is a minor, details of guardian:	Name of guardian: Address and phone no. of Guardian: Signature of guardian	
<b>WITNESSES</b> (Only applicable in case the account holder has made nomination)  Name <b>P. Venu</b>  Signature Address <b>Punjagutta, Hyderabad</b>	<b>WITNESSES</b> (Only applicable in case the account holder has made nomination)  Name <b>R Giri Babu</b>  Signature Address <b>Punjagutta, Hyderabad</b>	

#### DECLARATION

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

Place Hyderabad

Date:



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

Client Name:

Client Signature .....

**For Office Use Only**

	<b>Documents verified with Originals</b>	<b>Client Interviewed By</b>	<b>In-Person Verification done by</b>
<b>Name of the Employee</b>	<b>Mr. Shailender Singh</b>	<b>Mr. Ramakant Singhal</b>	<b>Mr. Shailender Singh</b>
<b>Employee Code</b>	<b>009</b>	<b>002</b>	<b>009</b>
<b>Designation of the employee</b>	<b>Employee</b>	<b>Compliance Officer</b>	<b>Employee</b>
<b>Date</b>			
<b>Signature</b>			

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

(....., )  
**Signature of the Authorised Signatory**

**Seal/Stamp of the stock broker**

**INSTRUCTIONS/ CHECK LIST**

1. Additional documents in case of trading in derivatives segments - illustrative list:

Copy of ITR Acknowledgement	Copy of Annual Accounts
In case of salary income - Salary Slip, Copy of Form 16	Net worth certificate
Copy of demat account holding statement.	Bank account statement for last 6 months
Any other relevant documents substantiating ownership of assets.	Self declaration with relevant supporting documents.

**\*In respect of other clients, documents as per risk management policy of the stock broker need to be provided by the client from time to time.**

2. Copy of cancelled cheque leaf/ pass book/bank statement specifying name of the constituent, MICR Code or/and IFSC Code of the bank should be submitted.

3. Demat master or recent holding statement issued by DP bearing name of the client.

**4. For individuals:**

a. Stock broker has an option of doing 'in-person' verification through web camera at the branch office of the stock broker/sub-broker's office.

b. In case of non-resident clients, employees at the stock broker's local office, overseas can do in-person' verification. Further, considering the infeasibility of carrying out 'In-person' verification of the non-resident clients by the stock broker's staff, attestation of KYC documents by Notary Public, Court, Magistrate, Judge, Local Banker, Indian Embassy / Consulate General in the country where the client resides may be permitted.

**5. For non-individuals:**

a. Form need to be initialized by all the authorized signatories.

b. Copy of Board Resolution or declaration (on the letterhead) naming the persons authorized to deal in securities on behalf of company/firm/others and their specimen signatures.

**Client Name:**

**Client Signature .....**

## **RISK DISCLOSURE DOCUMENT FOR CAPITAL MARKET AND DERIVATIVES SEGMENTS**

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

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

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

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

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

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

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

### **1. BASIC RISKS:**

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

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

#### **1.2 Risk of Lower Liquidity:**

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

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

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

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

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

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

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

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

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

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

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

#### **1.6 Risk of Rumors:**

Rumors about companies / currencies at times float in the market through word of mouth, newspapers, websites or news agencies, etc. The investors should be wary of and should desist from acting on rumors.

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

High volume trading will frequently occur at the market opening and before market close. Such high volumes may also occur at any point in the day. These may cause delays in order execution or confirmation.

**1.7.1** During periods of volatility, on account of market participants continuously modifying their order quantity or prices or placing fresh orders, there may be delays in order execution and its confirmations.

**1.7.2** Under certain market conditions, it may be difficult or impossible to liquidate a position in the market at a reasonable price or at all, when there are no outstanding orders either on the buy side or the sell side, or if trading is halted in a security / derivatives contract due to any action on account of unusual trading activity or security / derivatives contract hitting circuit filters or for any other reason.

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

Trading on exchanges is in electronic mode, based on satellite/leased line based communications, combination of technologies and computer systems to place and route orders. Thus, there exists a possibility of communication failure or system problems or slow or delayed response from system or trading halt, or any such other problem/glitch whereby not being able to establish access to the trading system/network, which may be beyond control and may result in delay in processing or not processing buy or sell orders either in part or in full. You are cautioned to note that although these problems may be temporary in nature, but when you have outstanding open positions or unexecuted orders, these represent a risk because of your obligations to settle all executed transactions.

### **2. As far as Derivatives segments are concerned, please note and get yourself acquainted with the following additional features:-**

#### **2.1 Effect of "Leverage" or "Gearing":**

In the derivatives market, the amount of margin is small relative to the value of the derivatives contract so the transactions are 'leveraged' or 'geared'. Derivatives trading, which is conducted with a relatively small amount of margin, provides the possibility of great profit or loss in comparison with the margin amount. But transactions in derivatives carry a high degree of risk.

You should therefore completely understand the following statements before actually trading in derivatives and also trade with caution while taking into account one's circumstances, financial resources, etc. If the prices move against you, you may lose a part of or whole margin amount in a relatively short period of time. Moreover, the loss may exceed the original margin amount.

A. Futures trading involve daily settlement of all positions. Every day the open positions are marked to market based on the closing level of the index / derivatives contract. If the contract has moved against you, you will be required to deposit the amount of loss (notional) resulting from such movement. This amount will have to be paid within a stipulated time frame, generally before commencement of trading on next day.

B. If you fail to deposit the additional amount by the deadline or if an outstanding debt occurs in your account, the stock broker may liquidate a part of or the whole position or substitute securities. In this case, you will be liable for any losses incurred due to such close-outs.

C. Under certain market conditions, an investor may find it difficult or impossible to execute transactions. For example, this situation can occur due to factors such as illiquidity i.e. when there are insufficient bids or offers or suspension of trading due to price limit or circuit breakers etc.

D. In order to maintain market stability, the following steps may be adopted: changes in the margin rate, increases in the cash margin rate or others. These new measures may also be applied to the existing open interests. In such conditions, you will be required to put up additional margins or reduce your positions.

E. You must ask your broker to provide the full details of derivatives contracts you plan to trade i.e. the contract specifications and the associated obligations.

#### **2.2 Currency specific risks:**

1. The profit or loss in transactions in foreign currency-denominated contracts, whether they are traded in your own or another jurisdiction, will be affected by fluctuations in currency rates where there is a need to convert from the currency Denomination of the contract to another currency.

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2. Under certain market conditions, you may find it difficult or impossible to liquidate a position. This can occur, for example when a currency is deregulated or fixed trading bands are widened.

3. Currency prices are highly volatile. Price movements for currencies are influenced by, among other things: changing supply-demand relationships; trade, fiscal, monetary, exchange control programs and policies of governments; foreign political and economic events and policies; changes in national and international interest rates and inflation; currency devaluation; and sentiment of the market place. None of these factors can be controlled by any individual advisor and no assurance can be given that an advisor's advice will result in profitable trades for a participating customer or that a customer will not incur losses from such events.

### **2.3 Risk of Option holders:**

1. An option holder runs the risk of losing the entire amount paid for the option in a relatively short period of time. This risk reflects the nature of an option as a wasting asset which becomes worthless when it expires. An option holder who neither sells his option in the secondary market nor exercises it prior to its expiration will necessarily lose his entire investment in the option. If the price of the underlying does not change in the anticipated direction before the option expires, to an extent sufficient to cover the cost of the option, the investor may lose all or a significant part of his investment in the option.

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

### **2.4 Risks of Option Writers:**

1. If the price movement of the underlying is not in the anticipated direction, the option writer runs the risks of losing substantial amount.

2. The risk of being an option writer may be reduced by the purchase of other options on the same underlying interest and thereby assuming a spread position or by acquiring other types of hedging positions in the options markets or other markets. However, even where the writer has assumed a spread or other hedging position, the risks may still be significant. A spread position is not necessarily less risky than a simple 'long' or 'short' position.

3. Transactions that involve buying and writing multiple options in combination, or buying or writing options in combination with buying or selling short the underlying interests, present additional risks to investors. Combination transactions, such as option spreads, are more complex than buying or writing a single option. And it should be further noted that, as in any area of investing, a complexity not well understood is, in itself, a risk factor. While this is not to suggest that combination strategies should not be considered, it is advisable, as is the case with all investments in options, to consult with someone who is experienced and knowledgeable with respect to the risks and potential rewards of combination transactions under various market circumstances.

### **3. TRADING THROUGH WIRELESS TECHNOLOGY/ SMART ORDER ROUTING OR ANY OTHER TECHNOLOGY:**

Any additional provisions defining the features, risks, responsibilities, obligations and liabilities associated with securities trading through wireless technology/ smart order routing or any other technology should be brought to the notice of the client by the stock broker.

### **4. GENERAL**

**4.1** The term 'constituent' shall mean and include a client, a customer or an investor, who deals with a stock broker for the purpose of acquiring and/or selling of securities / derivatives contracts through the mechanism provided by the Exchanges.

**4.2** The term 'stock broker' shall mean and include a stock broker, a broker or a stock broker, who has been admitted as such by the Exchanges and who holds a registration certificate from SEBI.

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## **RIGHTS AND OBLIGATIONS OF STOCK BROKERS, SUB-BROKERS AND CLIENTS**

### **As prescribed by SEBI and Stock Exchanges**

1. The client shall invest/trade in those commodities /contracts/other instruments admitted to dealings on the Exchanges as defined in the Rules, Byelaws and Business Rules/ Regulations of Exchanges/ Forward Markets Commission (FMC) and circulars/notices issued there under from time to time.
2. The Member, Authorized Person and the client shall be bound by all the Rules, Byelaws and Business Rules of the Exchange and circulars/notices issued there under and Rules and Regulations of FMC and relevant notifications of Government authorities as may be in force from time to time.
3. The client shall satisfy himself of the capacity of the Member to deal in commodities and/or deal in derivatives contracts and wishes to execute its orders through the Member and the client shall from time to time continue to satisfy itself of such capability of the Member before executing orders through the Member.
4. The Member shall continuously satisfy itself about the genuineness and financial soundness of the client and investment objectives relevant to the services to be provided.
5. The Member shall take steps to make the client aware of the precise nature of the Member's liability for business to be conducted, including any limitations, the liability and the capacity in which the Member acts.
6. Requirements of professional diligence

**a. The Member must exercise professional diligence while entering into a financial contract or discharging any obligations under it.**

**b. "professional diligence" means the standard of skill and care that a Member would be reasonably expected to exercise towards a Client, commensurate with-**

- i. Honest market practice;
- ii. The principle of good faith;
- iii. The level of knowledge, experience and expertise of the Client;
- iv. The nature and degree of risk embodied in the financial product\* or financial service being availed by the Client; and
- v. The extent of dependence of the Client on the Member.

**\*Commodity derivative contract**

7. The Authorized Person shall provide necessary assistance and co-operate with the Member in all its dealings with the client(s).

### **CLIENT INFORMATION**

8. The client shall furnish all such details in full as are required by the Member in "Account Opening Form" with supporting details, made mandatory by commodity exchanges/FMC from time to time.
9. The client shall familiarize himself with all the mandatory provisions in the Account Opening documents. Any additional clauses or documents specified by the Member shall be non-mandatory; therefore, subject to specific acceptance by the client.
10. The client shall immediately notify the Member in writing if there is any change in the information in the 'account opening form' as provided at the time of account opening and thereafter; including the information on winding up petition/insolvency petition or any litigation which may have material bearing on his capacity. The client shall provide/update the financial information to the Member on a periodic basis.

**11. A. Protection from unfair terms in financial contracts\*\***

**a. An unfair term of a non-negotiated contract will be void.**

**b. A term is unfair if it –**

- i. Causes a significant imbalance in the rights and obligations of the parties under the financial contract, to the detriment of the Client; and

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- ii. is not reasonably necessary to protect the legitimate interests of the Member.
- c. The factors to be taken into account while determining whether a term is unfair, include –**
  - i. the nature of the financial product or financial service dealt with under the financial contract;
  - ii. the extent of transparency of the term;
- \*\*contracts offered by commodity exchanges**
- iii. The extent to which the term allows a Client to compare it with other financial contracts for similar financial products or financial services; and
- iv. The financial contract as a whole and the terms of any other contract on which it is dependent.
- d. A term is transparent if it –**
  - i. is expressed in reasonably plain language that is likely to be understood by the Client;
  - ii. is legible and presented clearly; and
  - iii. is readily available to the Client affected by the term.
- e. If a term of a financial contract is determined to be unfair under point 11.A.c, the parties will continue to be bound by the remaining terms of the financial contract to the extent that the financial contract is capable of enforcement without the unfair term.**

**11. B.**

- a. “Non-negotiated contract” means a contract whose terms, other than the terms contained in point 11.C. (given below) are not negotiated between the parties to the financial contract and includes –**
  - i. a financial contract in which, relative to the Client, the Member has a substantially greater bargaining power in determining terms of the financial contract; and
  - ii. a standard form contract.
- b. “Standard form contract” means a financial contract that is substantially not negotiable for the Client, except for the terms contained in point 11.C.**
- c. Even if some terms of a financial contract are negotiated in form, the financial contract may be regarded as a non-negotiated contract if so indicated by –**
  - i. an overall and substantial assessment of the financial contract; and
  - ii. the substantial circumstances surrounding the financial contract
- d. In a claim that a financial contract is a non-negotiated contract, the onus of demonstrating otherwise will be on the Member.**

**11. C.**

- a. The above does not apply to a term of a financial contract if it –**
  - i. defines the subject matter of the financial contract;
  - ii. sets the price that is paid, or payable, for the provision of the financial product or financial service under the financial contract and has been clearly disclosed to the Client; or
  - iii. is required, or expressly permitted, under any law or regulations.
- b. The exemption under point 11.C does not apply to a term that deals with the payment of an amount which is contingent on the occurrence or non-occurrence of any particular event.**

12. The Member and Authorized Person shall maintain all the details of the client as mentioned in the account opening form or any other information pertaining to the client, confidentially and that they shall not disclose the same to any person/authority except as required under any law/regulatory requirements. Provided however that the Member may so disclose information about his client to any person or authority with the express permission of the client.

Client Name:

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13. A. Protection of personal information and confidentiality

**a. "Personal information" means any information that relates to a Client or allows a Client's identity to be inferred, directly or indirectly, and includes –**

- i. name and contact information;
- ii. biometric information, in case of individuals
- iii. information relating to transactions in, or holdings of, financial products
- iv. information relating to the use of financial services; or
- v. such other information as may be specified.

**13. B.**

**a. A Member must –**

- i. not collect personal information relating to a Client in excess of what is required for the provision of a financial product or financial service;
- ii. maintain the confidentiality of personal information relating to Clients and not disclose it to a third party, except in a manner expressly permitted under point 13.B.b.;
- iii. make best efforts to ensure that any personal information relating to a Client that it holds is accurate, up to date and complete;
- iv. ensure that Clients can obtain reasonable access to their personal information, subject to any exceptions that the Regulator may specify; and
- v. allow Clients an effective opportunity to seek modifications to their personal information to ensure that the personal information held by the Member is accurate, up to date and complete.

**b. A Member may disclose personal information relating to a Client to a third party only if –**

- i. it has obtained prior written informed consent of the Client for the disclosure, after giving the Client an effective opportunity to refuse consent;
- ii. the Client has directed the disclosure to be made;
- iii. the Regulator has approved or ordered the disclosure, and unless prohibited by the relevant law or regulations, the Client is given an opportunity to represent under such law or regulations against such disclosure;
- iv. the disclosure is required under any law or regulations, and unless prohibited by such law or regulations, the Client is given an opportunity to represent under such law or regulations against such disclosure;
- v. the disclosure is directly related to the provision of a financial product or financial service to the Client, if the Member –
  - 1. informs the Client in advance that the personal information may be shared with a third party; and
  - 2. makes arrangements to ensure that the third party maintains the confidentiality of the personal information in the same manner as required under this Part; or
- vi. the disclosure is made to protect against or prevent actual or potential fraud, unauthorized transactions or claims, if the Member arranges with the third party to maintain the confidentiality of the personal information in the manner required under this Part.-

**c. "Third party" means any person other than the concerned Member, including a person belonging to the same group as the Member.**

**14. A Requirement of fair disclosure both initially and on continuing basis**

**a. Member must ensure fair disclosure of information that is likely to be required by a Client to make an informed transactional decision.**

**b. In order to constitute fair disclosure, the information must be provided –**

- i. sufficiently before the Client enters into a financial contract, so as to allow the Client reasonable time to understand the information;

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- ii. in writing and in a manner that is likely to be understood by a Client belonging to a particular category; and
- iii. in a manner that enables the Client to make reasonable comparison of the financial product or financial service with other similar financial products or financial services.
- c. The types of information that must be disclosed to a Client in relation to a financial product or financial service, which may include information regarding –**
  - i. main characteristics of the financial product or financial service, including its features, benefits and risks to the Client;
  - ii. consideration to be paid for the financial product or financial service or the manner in which the consideration is calculated;
  - iii. existence, exclusion or effect of any term in the financial product or financial contract;
  - iv. Nature, attributes and rights of the Member, including its identity, regulatory status and affiliations;
  - v. contact details of the Member and the methods of communication to be used between the Member and the Client;
  - vi. rights of the Client to rescind a financial contract within a specified period; or
  - vii. rights of the Client under any law or regulations.

#### **14.B.**

- a. Member must provide a Client that is availing a financial product or financial service provided by it, with the following continuing disclosures –**
  - i. any material change to the information that was required to be disclosed under point 14.A at the time when the Client initially availed the financial product or financial service;
  - ii. information relating to the status or performance of a financial product held by the Client, as may be required to assess the rights or interests in the financial product or financial service; and
  - iii. any other information that may be specified.
- b. A continuing disclosure must be made –**
  - i. within a reasonable time-period from the occurrence of any material change or at reasonable periodic intervals, as applicable; and
  - ii. in writing and in a manner that is likely to be understood by a Client belonging to that category.

#### **MARGINS**

- 15 The client shall pay applicable initial margins, withholding margins, special margins or such other margins as are considered necessary by the Member or the Exchange or as may be directed by FMC from time to time as applicable to the segment(s) in which the client trades. The Member is permitted in its sole and absolute discretion to collect additional margins (even though not required by the Exchange or FMC) and the client shall be obliged to pay such margins within the stipulated time.
- 16. The client understands that payment of margins by the client does not necessarily imply complete satisfaction of all dues. In spite of consistently having paid margins, the client may, on the settlement of its trade, be obliged to pay (or entitled to receive) such further sums as the contract may dictate/require.

#### **TRANSACTIONS AND SETTLEMENTS**

- 17. The client shall give any order for buy or sell of commodities derivatives contract in writing or in such form or manner, as may be mutually agreed between the client and the Member however ensuring the regulatory requirements in this regard are complied with. The Member shall ensure to place orders and execute the trades of the client, only in the Unique Client Code assigned to that client.

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18. The Member shall inform the client and keep him apprised about trading/settlement cycles, delivery/payment schedules, any changes therein from time to time, and it shall be the responsibility in turn of the client to comply with such schedules/procedures of the relevant commodity exchange where the trade is executed.
19. The Member shall ensure that the money deposited by the client shall be kept in a separate account, distinct from his/its own account or account of any other client and shall not be used by the Member for himself/itself or for any other client or for any purpose other than the purposes mentioned in Rules, circulars, notices, guidelines of FMC and/or Rules, Business Rules, Bye-laws, circulars and notices of Exchange.
20. Where the Exchange(s) cancels trade(s) suo moto all such trades including the trade/s done on behalf of the client shall ipso facto stand cancelled, Member shall be entitled to cancel the respective contract(s) with client(s).
21. The transactions executed on the Exchange are subject to Rules, Byelaws and Business Rules and circulars/notices issued there under of the Exchanges where the trade is executed and all parties to such trade shall have submitted to the jurisdiction of such court as may be specified by the Byelaws and Business Rules of the Exchanges where the trade is executed for the purpose of giving effect to the provisions of the Rules, Byelaws and Business Rules of the Exchanges and the circulars/notices issued there under.

#### **BROKERAGE**

22. The Client shall pay to the Member 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 Member renders to the Client. The Member shall not charge brokerage more than the maximum brokerage permissible as per the Rules, Business Rules and Bye-laws of the relevant commodity exchanges and/or Rules of FMC.

#### **LIQUIDATION AND CLOSE OUT OF POSITION**

23. Without prejudice to the Member's other rights (including the right to refer a matter to arbitration), the client understands that the Member shall be entitled to liquidate/close out all or any of the client's positions for non-payment of margins or other amounts, outstanding debts, etc. and adjust the proceeds of such liquidation/close out, if any, against the client's liabilities/obligations. Any and all losses and financial charges on account of such liquidation/closing-out shall be charged to and borne by the client.
24. 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 commodities which the client has ordered to be bought or sold, Member may close out the transaction of the client and claim losses, if any, against the estate of the client. The client or his nominees, successors, heirs and assignee shall be entitled to any surplus which may result there from. The client shall note that transfer of funds/commodities in favor of a Nominee shall be valid discharge by the Member against the legal heir.

#### **DISPUTE RESOLUTION**

25. The Member shall co-operate in redressing grievances of the client in respect of all transactions routed through it.
26. The client and the Member shall refer any claims and/or disputes with respect to deposits, margin money, etc., to arbitration as per the Rules, Byelaws and Business Rules of the Exchanges where the trade is executed and circulars/notices issued there under as may be in force from time to time.
27. The client/Member understands that the instructions issued by an authorized representative for dispute resolution, if any, of the client/Member shall be binding on the client/Member in accordance with the letter authorizing the said representative to deal on behalf of the said client/Member.

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28. Requirement for each Member to have an effective grievance redress mechanism which is accessible to all its Clients
- a. **A Member must have in place an effective mechanism to receive and redress complaints from its Clients in relation to financial products or financial services provided by it, or on its behalf, in a prompt and fair manner.**
  - b. **A Member must inform a Client, at the commencement of relationship with the Client and at such other time when the information is likely to be required by the Client, of –**
    - i. the Client's right to seek redress for any complaints; and
    - ii. the processes followed by the Member to receive and redress complaints from its Clients.

## **29. A. Suitability of advice for the Client**

Right to receive advice that is suitable taking into account the relevant personal circumstances of the Client, such as the Clients financial circumstances and needs. This obligation would apply to persons who render advice to Clients and the regulator may specify categories of financial products and service that necessarily require such advice to be given.

- a. **A Member must –**
  - i. make all efforts to obtain correct and adequate information about the relevant personal circumstances of a Client; and
  - ii. ensure that the advice given is suitable for the Client after due consideration of the relevant personal circumstances of the Client.
- b. **If it is reasonably apparent to the Member that the available information regarding the relevant personal circumstances of a Client is incomplete or inaccurate, the Member must warn the Client of the consequences of proceeding on the basis of incomplete or inaccurate information.**
- c. **If a Client intends to avail of a financial product or financial service that the Member determines unsuitable for the Client, the Member –**
  - i. must clearly communicate its advice to the Client in writing and in a manner that is likely to be understood by the Client; and
  - ii. may provide the financial product or financial service requested by the Client only after complying with point 29.A.a and obtaining a written acknowledgement from the Client.

## **30. Dealing with conflict of interest**

In case of any conflict between the interests of a Client and that of the Member, preference much be given to the Client interests.

- a. **A member must –**
  - i. provide a Client with information regarding any conflict of interests, including any conflicted remuneration that the Member has received or expects to receive for making the advice to the Client; and
  - ii. give priority to the interests of the Client if the Member knows, or reasonably ought to know, of a conflict between –
    - 1. its own interests and the interests of the Client; or
    - 1. the interests of the concerned Member and interests of the Client, in cases where the Member is a financial representative.

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- b. The information under point 16a.i. must be given to the Client in writing and in a manner that is likely to be understood by the Client and a written acknowledgement of the receipt of the information should be obtained from the Client.
- c. In this section, “conflicted remuneration” means any benefit, whether monetary or non-monetary, derived by a Member from persons other than Clients, that could, under the circumstances, reasonably be expected to influence the advice given by the Member to a Client

#### **TERMINATION OF RELATIONSHIP**

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

#### **ADDITIONAL RIGHTS AND OBLIGATIONS**

- 34. The Member and client shall reconcile and settle their accounts from time to time as per the Rules, Business Rules, Bye Laws, Circulars, Notices and Guidelines issued by FMC and the relevant Exchanges where the trade is executed.
- 35. The Member shall issue a contract note to his clients for trades executed in such format as may be prescribed by the Exchange from time to time containing records of all transactions including details of order number, trade number, trade time, trade price, trade quantity, details of the derivatives contract, client code, brokerage, all charges levied etc. and with all other relevant details as required therein to be filled in and issued in such manner and within such time as prescribed by the Exchange. The Member shall send contract notes to the investors within 24 hours of the execution of the trades in hard copy and/or in electronic form using digital signature.
- 36. The Member shall make pay out of funds or delivery of commodities as per the Exchange Rules, Bye-Laws, Business Rules and Circulars, as the case may be, to the Client on receipt of the payout from the relevant Exchange where the trade is executed unless otherwise specified by the client and subject to such terms and conditions as may be prescribed by the relevant Exchange from time to time where the trade is executed.
- 37. The Member shall send a complete ‘Statement of Accounts’ for both funds and commodities in respect of each of its clients in such periodicity and format within such time, as may be prescribed by the relevant Exchange, from time to time, where the trade is executed. The Statement shall also state that the client shall report errors, if any, in the Statement immediately but not later than 30 calendar days of receipt thereof, to the Member. A detailed statement of accounts must be sent every month to all the clients in physical form. The proof of delivery of the same should be preserved by the Member.

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38. The Member shall send margin statements to the clients on monthly basis. Margin statement should include, inter-alia, details of collateral deposited, collateral utilized and collateral status (available balance/due from client) with break up in terms of cash, Fixed Deposit Receipts (FDRs), Bank Guarantee, warehouse receipts, securities etc.
39. The Client shall ensure that it has the required legal capacity to, and is authorized to, enter into the relationship with Member and is capable of performing his obligations and undertakings hereunder. All actions required to be taken to ensure compliance of all the transactions, which the Client may enter into shall be completed by the Client prior to such transaction being entered into.
40. In case, where a member surrenders his/ her/ its membership, Member gives a public notice inviting claims, if any, from investors. In case of a claim relating to transactions executed on the trading system of the Exchange, ensure that client lodge a claim with the Exchange within the stipulated period and with the supporting documents.

**41. A. Protection from unfair conduct which includes misleading conduct & abusive conduct**

- a. Unfair conduct in relation to financial products or financial services is prohibited.
- b. "Unfair conduct" means an act or omission by a Member or its financial representative that significantly impairs, or is likely to significantly impair, the ability of a Client to make an informed transactional decision and includes –
- i. misleading conduct under point 41.B
  - ii. abusive conduct under point 41.C
  - iii. such other conduct as may be specified.

**41.B.**

- a. **Conduct of a Member or its financial representative in relation to a determinative factor is misleading if it is likely to cause the Client to take a transactional decision that the Client would not have taken otherwise, and the conduct involves –**
- i. providing the Client with inaccurate information or information that the Member or financial representative does not believe to be true; or
  - ii. providing accurate information to the Client in a manner that is deceptive.
- b. **In determining whether a conduct is misleading under point 41.B.a, the following factors must be considered to be "determinative factors" –**
- i. the main characteristics of a financial product or financial service, including its features, benefits and risks to the Client;
  - ii. the Client's need for a particular financial product or financial service or its suitability for the Client;
  - iii. the consideration to be paid for the financial product or financial service or the manner in which the consideration is calculated
  - iv. the existence, exclusion or effect of any term in a financial contract, which is material term in the context of that financial contract;
  - v. the nature, attributes and rights of the Member, including its identity, regulatory status and affiliations; and
  - vi. the rights of the Client under any law or regulations.

Client Name:

Client Signature .....

**41.C.**

**a. A conduct of a Member or its financial representative in relation to a financial product or financial service is abusive if it –**

- i. involves the use of coercion or undue influence; and
- ii. causes or is likely to cause the Client to take a transactional decision that the Client would not have taken otherwise.

**b. In determining whether a conduct uses coercion or undue influence, the following must be considered –**

- i. the timing, location, nature or persistence of the conduct;
- ii. the use of threatening or abusive language or behaviour;
- iii. the exploitation of any particular misfortune or circumstance of the Client, of which the Member is aware, to influence the Client's decision with regard to a financial product or financial service;
- iv. any non-contractual barriers imposed by the Member where the Client wishes to exercise rights under a financial contract, including –
- v. the right to terminate the financial contract;
- vi. the right to switch to another financial product or another Member and
- vii. a threat to take any action, depending on the circumstances in which the threat is made.

**ELECTRONIC CONTRACT NOTES (ECN)**

- 42. In case, client opts to receive the contract note in electronic form, he shall provide an appropriate e-mail id (created by the client) to the Member (Kindly refer Appendix A of Annexure 1). Member shall ensure that all the rules/Business Rule/Bye-Laws/ circulars issued from time to time in this regard are complied with. The client shall communicate to the Member any change in the email-id through a physical letter. If the client has opted for internet trading, the request for change of email id may be made through the secured access by way of client specific user id and password.
- 43. The Member shall ensure that all ECNs sent through the e-mail shall be digitally signed, encrypted, non-tamper able and in compliance with the provisions of the IT Act, 2000. In case, ECN is sent through e-mail as an attachment, the attached file shall also be secured with the digital signature, encrypted and non-tamper able.
- 44. The client shall note that non-receipt of bounced mail notification by the Member shall amount to delivery of the contract note at the e-mail ID of the client.
- 45. The Member shall retain ECN and acknowledgement of the e-mail in a soft and non-tamperable form in the manner prescribed by the exchange in compliance with the provisions of the IT Act, 2000 and as per the extant rules/circulars/guidelines issued by FMC/Commodity exchanges from time to time. The proof of delivery i.e., log report generated by the system at the time of sending the contract notes shall be maintained by the Member for the specified period under the extant rules/circulars/guidelines issued by FMC/Commodity exchanges. The log report shall provide the details of the contract notes that are not delivered to the client/e-mails rejected or bounced back. The Member shall take all possible steps to ensure receipt of notification of bounced mails by him at all times within the stipulated time period under the extant rules/circulars/guidelines issued by FMC/Commodity exchanges.
- 46. The Member shall continue to send contract notes in the physical mode to such clients who do not opt to receive the contract notes in the electronic form. Wherever the ECNs have not been delivered to the client or has been rejected (bouncing of mails) by the e-mail ID of the client, the Member shall send a physical contract note to the client within the stipulated time under the extant Regulations/ Rules, Bye-Laws, Business Rules and Circulars of FMC/commodity exchanges and maintain the proof of dispatch and delivery of such physical contract notes.

**Client Name:**

**Client Signature .....**

47. In addition to the e-mail communication of the ECNs to the client, the Member shall simultaneously publish the ECN on his designated web-site, if any, in a secured way and enable relevant access to the clients and for this purpose, shall allot a unique user name and password to the client, with an option to the client to save the contract note electronically and/or take a print out of the same.
48. The Electronic Contract Note (ECN) declaration form will be obtained from the client who opts to received the Contract Note in Electronic Form in place of physical contract note. This declaration will remain valid till it is revoked by the client.

#### **LAW AND JURISDICTION**

49. In addition to the specific rights set out in this document, the Member, Authorised Person and the client shall be entitled to exercise any other rights which the Member or the client may have under the Rules, Bye-laws and Business Rules of the Exchanges in which the client chooses to trade and circulars/notices issued there under or Rules of FMC.
50. The provisions of this document shall always be subject to Government notifications, any rules, guidelines and circulars/notices issued by FMC and Circulars, Rules, Business Rules and Bye laws of the relevant commodity exchanges, where the trade is executed, that may be in force from time to time.
51. The Member and the client shall abide by any award passed by the Arbitrator(s) under the Arbitration and Conciliation Act, 1996. However, there is also a provision of appeal, if either party is not satisfied with the arbitration award.
52. Words and expressions which are used in this document but which are not defined herein shall, unless the context otherwise requires, have the same meaning as assigned thereto in the Rules, Byelaws and Regulations/Business Rules and circulars/notices issued there under of the Exchanges/FMC.
53. All additional voluntary/non mandatory clauses/document added by the Member should not be in contravention with Rules/ Business Rules/Notices/Circulars of Exchanges/FMC. Any changes in such voluntary clauses/document(s) need to be preceded by a notice of 15 days. Any changes in the rights and obligations which are specified by Exchanges/FMC shall also be brought to the notice of the clients.
54. If the rights and obligations of the parties hereto are altered by virtue of change in Rules of FMC or Bye-laws, Rules and Business Rules of the relevant commodity exchanges where the trade is executed, such changes shall be deemed to have been incorporated herein in modification of the rights and obligations of the parties mentioned in this document.
55. Members are required to send account statement to their clients every month in physical form.

**Client Name:**

**Client Signature .....**

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

1. Stock broker is eligible for providing Internet based trading (IBT) and securities trading through the use of wireless technology that shall include the use of devices such as mobile phone, laptop with data card, etc. which use Internet Protocol (IP). The stock broker shall comply with all requirements applicable to internet based trading/securities trading using wireless technology as may be specified by SEBI & the Exchanges from time to time.
2. The client is desirous of investing/trading in securities and for this purpose, the client is desirous of using either the internet based trading facility or the facility for securities trading through use of wireless technology. The Stock broker shall provide the Stock broker's IBT Service to the Client, and the Client shall avail of the Stock broker's IBT Service, on and subject to SEBI/Exchanges Provisions and the terms and conditions specified on the Stock broker's IBT Web Site provided that they are in line with the norms prescribed by Exchanges/SEBI.
3. The stock broker shall bring to the notice of client the features, risks, responsibilities, obligations and liabilities associated with securities trading through wireless technology/internet/smart order routing or any other technology should be brought to the notice of the client by the stock broker.
4. The stock broker shall make the client aware that the Stock Broker's IBT system itself generates the initial Password and its password policy as stipulated in line with norms prescribed by Exchanges/SEBI.
5. The Client shall be responsible for keeping the Username and Password confidential and secure and shall be solely responsible for all orders entered and transactions done by any person whosoever through the Stock broker's IBT System using the Client's Username and/or Password whether or not such person was authorized to do so. Also the client is aware that authentication technologies and strict security measures are required for the internet trading/securities trading through wireless technology through order routed system and undertakes to ensure that the password of the client and/or his authorized representative are not revealed to any third party including employees and dealers of the stock broker
6. The Client shall immediately notify the Stock broker in writing if he forgets his password, discovers security flaw in Stock Broker's IBT System, discovers / suspects discrepancies/ unauthorized access through his username / password /account with full details of such unauthorized use, the date, the manner and the transactions effected pursuant to such unauthorized use, etc.
7. The Client is fully aware of and understands the risks associated with availing of a service for routing orders over the internet/securities trading through wireless technology and Client shall be fully liable and responsible for any and all acts done in the Client's Username/password in any manner whatsoever.
8. The stock broker shall send the order/trade confirmation through email to the client at his request. The client is aware that the order/ trade confirmation is also provided on the web portal. In case client is trading using wireless technology, the stock broker shall send the order/trade confirmation on the device of the client.
9. The client is aware that trading over the internet involves many uncertain factors and complex hardware, software, systems, communication lines, peripherals, etc. are susceptible to interruptions and dislocations. The Stock broker and the Exchange do not make any representation or warranty that the Stock broker's IBT Service will be available to the Client at all times without any interruption.
10. The Client shall not have any claim against the Exchange or the Stock broker on account of any suspension, interruption, non-availability or malfunctioning of the Stock broker's IBT System or Service or the Exchange's service or systems or non-execution of his orders due to any link/system failure at the Client/Stock brokers/Exchange end for any reason beyond the control of the stock broker/Exchanges.

**Client Name:**

**Client Signature .....**

## GUIDANCE NOTE - DO's AND DON'Ts FOR TRADING ON THE EXCHANGE(S) FOR INVESTORS

### BEFORE YOU BEGIN TO TRADE

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

### TRANSACTIONS AND SETTLEMENTS

8. The stock broker may issue electronic contract notes (ECN) if specifically authorized by you in writing. You should provide your email id to the stock broker for the same. Don't opt for ECN if you are not familiar with computers.
9. Don't share your internet trading account's password with anyone.
10. Don't make any payment in cash to the stock broker.
11. Make the payments by account payee cheque in favour of the stock broker. Don't issue cheques in the name of sub-broker. Ensure that you have a documentary proof of your payment/deposit of securities with the stock broker, stating date, scrip, quantity, towards which bank/demat account such money or securities deposited and from which bank/demat account.
12. Note that facility of Trade Verification is available on stock exchanges' websites, where details of trade as mentioned in the contract note may be verified. Where trade details on the website do not tally with the details mentioned in the contract note, immediately get in touch with the Investors Grievance Cell of the relevant Stock exchange.
13. In case you have given specific authorization for maintaining running account, payout of funds or delivery of securities (as the case may be), may not be made to you within one working day from the receipt of payout from the Exchange. Thus, the stock broker shall maintain running account for you subject to the following conditions:
  - a) Such authorization from you shall be dated, signed by you only and contains the clause that you may revoke the same at any time.
  - b) The actual settlement of funds and securities shall be done by the stock broker, at least once in a calendar quarter or month, depending on your preference. While settling the account, the stock broker shall send to you a 'statement of accounts' containing an extract from the client ledger for funds and an extract from the register of securities displaying all the receipts/deliveries of funds and securities. The statement shall also explain the retention of funds and securities and the details of the pledged shares, if any.
  - c) On the date of settlement, the stock broker may retain the requisite securities/funds towards outstanding obligations and may also retain the funds expected to be required to meet derivatives margin obligations for next 5 trading days, calculated in the manner specified by the exchanges. In respect of cash market transactions, the stock broker may retain entire pay-in obligation of funds and securities due from clients as on date of settlement and for next day's business, he may retain funds/securities/margin to the extent of value of transactions executed on the day of such Settlement in the cash market.
  - d) You need to bring any dispute arising from the statement of account or settlement so made to the notice of the stock broker in writing preferably within 7 (seven) working days from the date of receipt of funds/securities or statement, as the case may be. In case of dispute, refer the matter in writing to the Investors Grievance Cell of the relevant Stock exchanges without delay.
14. In case you have not opted for maintaining running account and pay-out of funds/securities is not received on the next working day of the receipt of payout from the exchanges, please refer the matter to the stock broker. In case there is dispute, ensure that you lodge a complaint in writing immediately with the Investors Grievance Cell of the relevant Stock exchange.
15. Please register your mobile number and email id with the stock broker, to receive trade confirmation alerts/ details of the transactions Through SMS or email, by the end of the trading day, from the stock exchanges.

Client Name:

Client Signature .....

## **PREVENTION OF MONEY LAUNDERING POLICY (PMLA)**

Pursuant to the provisions of the Prevention of Money Laundering Act, 2002(PMLA) which was published in the gazette of India on 1st July 2005 every banking financial and non banking financial companies and financial intermediaries, which includes stockbrokers, have to formulate internal policies and procedures to guard against money laundering activities. Our company UKS FOREX Private Limited., being a stock broker registered at NSE, BSE, MSEI & USE is a financial intermediary and hence should put in place such policies and procedures as per the provisions of the above said act and should maintain a record of all the transaction as prescribed under the rules framed under PMLA which include

All cash transactions of the value of more than Rs 10 lacs or its equivalent in foreign currency.  
All series of cash transactions integrally connected to each other which have been valued below Rs 10 lakhs or its equivalent in foreign where such series of transactions take place within one calendar month.

All suspicious transactions (including all transactions i.e those integrally connected and those remotely connected) whether or not made in cash and including, inter-alia, credits or debits into from any non monetary account such as demat account, security account maintained by the registered intermediary.

As per the provisions of the Act, it is also incumbent on the company to have the internal procedures as stated above reduced to writing. It is hence that these procedures were framed and were placed before the Board of Directors in their for approval.

### **Procedures As per the guidelines**

As per the guidelines issued under the provisions of the PMLA each stock broker should have procedures to implement the anti money laundering provisions as envisaged under the PMLA. Such procedures shall include inter alia for Client Due Diligence process which include

- (a) Policy for acceptance of client
- (b) Procedure for identifying clients and
- (c) Transactions monitoring and reporting especially suspicious transaction reporting (STR).

#### **1.1 Client Due Diligence Process-General**

This consist of the following

- 1.1.1 Ensure that KYC Norms are strictly followed and all the information provided in the KYC form are obtained and filled up.
- 1.1.2 Obtain sufficient information in order to identify persons who beneficiary own or control securities account. Whenever it is apparent that the securities acquired or maintained through an account are beneficially owned by a party other than the client, that party should be identified using client identification and verification procedures. The beneficial owner is the natural person or persons who ultimately own, control or influence a client and/or persons on whose behalf a transaction is being conducted. It also incorporates those persons who exercise ultimate effective control over a legal person or arrangement.
- 1.1.3 Verify the customer's identity using reliable, independent source documents, data or information.
- 1.1.4 Identify beneficial ownership and control, i.e. determine which individual(s) ultimately own(s) or control(s) the customer and/or the person on whose behalf a transaction is being conducted.

**Client Name:**

**Client Signature .....**

- 1.1.5 Verify the identity of the beneficial owner of the customer and/or the person on whose behalf a transaction is being conducted, corroborating the information provide in relation to (c); and
- 1.1.6 Understand the ownership and control structure of the client;
- 1.1.7 Conduct ongoing due diligence and scrutiny, i.e. perform ongoing scrutiny of the transactions and account throughout the course of the business relationship to ensure that the transactions being conducted are consistent with the registered intermediary's knowledge of the customer, its business and risk profile, taking into account, where necessary, the customer's source of funds.
- 1.1.8 Registered intermediaries shall periodically update all documents, data or information of all clients and beneficial owners collected under the CDD process.

## **2 Policy for acceptance of clients:**

2.1 All registered intermediaries shall develop client acceptance policies and procedure that aim to identify the types of clients that are likely to pose a higher than average risk of ML or TF. By establishing such policies and procedures, they will be in a better position to apply client due diligence on a risk sensitive basis depending on the type of client business relationship or transaction. In a nutshell, the following safeguards are to be followed while accepting the clients:

- a. No account is opened in a fictitious/benami name or on an anonymous basis.
- b. Factors of risk perception (in terms of monitoring suspicious transactions)of the client are clearly defined having regard to clients' location(registered office address, correspondence addresses and other addresses if applicable), nature of business activity, trading turnover etc., and manner of making payment for transactions undertaken. The parameters shall enable classifications of clients into low, medium and high risk. Clients of special category (as given below) may, if necessary be classified even higher. Such client requires higher degree of due diligence and regular update of Know Your Client (KYC) profile.
- c. Documentation requirements and other information to be collected in respect of different classes of clients depending on the perceived risk and having regard to the requirements of Rule 9 of the PML Rules, Directives and Circulars issued by SEBI from time to time.
- d. Ensure that an account is not opened where the intermediary is unable to apply appropriate CDD measures / KYC policies. This shall applicable in cases where it is not possible to ascertain the identity of the client, or the information provided to the intermediary is suspected to be non genuine, or there is perceived non co-operation of the client in providing full and complete information. The market intermediary shall not continue to do business with such a person and file a suspicious activity report. It shall also evaluate whether there is suspicious trading in determining whether to freeze or close the account. The market intermediary shall be cautious to ensure that it does not return securities of money that may be from suspicious trades. However, the market intermediary shall consult the relevant authorities in determining what action it shall take when it suspects suspicious trading.
- e. The circumstances under which the client is permitted to act on behalf of another person / entity shall be clearly laid down. It shall be specified in what manner the account shall be operated, transaction limits for the operation, additional authority required for transactions exceeding a specified quantity/value and other appropriate details. Further the rights and responsibilities of both the persons i.e. the agent- client registered with the intermediary, as well as the person on whose behalf the agent is acting shall be clearly laid down. Adequate verification of a person's authority to act on behalf of the client shall also be carried out.
- f. Necessary checks and balance to be put into place before opening an account so as to ensure that the identity of the client does not match with any person having known criminal background or is not banned in any other manner, whether in terms of criminal or civil proceedings by any enforcement agency worldwide.

**Client Name:**

**Client Signature .....**



- g. The CDD process shall necessarily be revisited when there are suspicions of money laundering or financing of terrorism (ML/FT).

### 3 Risk-based Approach

- 3.1 It is generally recognized that certain clients may be of a higher or lower risk category depending on the circumstances such as the client's background, type of business relationship or transaction etc. As such, the registered intermediaries shall apply each of the clients due diligence measures on a risk sensitive basis. The basic principle enshrined in this approach is that the registered intermediaries shall adopt an enhanced client due diligence process for higher risk categories of clients. Conversely, a simplified client due diligence process may be adopted for lower risk categories of clients. In line with the risk-based approach, the type and amount of identification information and documents that registered intermediaries shall obtain necessarily depend on the risk category of a particular client. Further, low risk provisions shall not apply when there are suspicions of ML/FT or when other factors give rise to a belief that the customer does not in fact pose a low risk.

#### 5.3.2 Risk Assessment

- h. Registered intermediaries shall carry out risk assessment to identify, assess and take effective measures to mitigate its money laundering and terrorist financing risk with respect to its clients, countries or geographical areas, nature and volume of transactions, payment methods used by clients, etc. The risk assessment shall also take into account any country specific information that is circulated by the Government of India and SEBI from time to time, as well as, the updated list of individuals and entities who are subjected to sanction measures as required under the various United Nations' Security Council Resolutions (these can be accessed at [http://www.un.org/sc/committees/1267/aq\\_sanctions\\_list.shtml](http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml) and <http://www.un.org/sc/committees/1988/list.shtml>).
- ii. The risk assessment carried out shall consider all the relevant risk factors before determining the level of overall risk and the appropriate level and type of mitigation to be applied. The assessment shall be documented, updated regularly and made available to competent authorities and self regulating bodies, as and when required.

#### 5.4 Clients of special category (CSC):

Such clients include the following.

- i. Nonresident clients
- ii. High net-worth clients,
- iii. Trust, Charities, Non-Governmental Organizations (NGOs) and organizations receiving donations
- iv. Companies having close family shareholdings or beneficial ownership
- v. Politically Exposed Persons (**PEP**) are individuals who are or have been entrusted with prominent public functions in a foreign country, eg., Heads of States or of Governments, senior politicians', senior government/judicial/military officers seniors executives of state-owned corporations, important political party officials, etc. The additional norms applicable to PEP as contained in the subsequent para5.5 of the circular shall also be applied to the accounts of the family members or close relatives of PEPs.
- vi. Companies offering foreign exchange offerings
- vii. Clients in high risk countries where existence / effectiveness of money laundering controls is suspect, where there is unusual banking secrecy, countries active in narcotics production, countries where corruption (as per Transparency International Corruption Perception Index) is highly prevalent, countries against which government sanctions are applied,

Client Name:

Client Signature .....

countries reputed to be any of the following Havens/sponsors of international terrorism, offshore financial centers, tax havens, countries where fraud is highly prevalent. while dealing with clients in high risk countries where the existence/effectiveness of money. laundering control is suspect, intermediaries apart from being guided by the Financial Action Task Force (FATF) statements that identify countries that do not or insufficiently apply the FATF Recommendations, published by the FATF on its website ([www.fatf-gafi.org](http://www.fatf-gafi.org)), shall also independently access and consider other publicly available information.

viii. Non face to face clients

ix. Clients with dubious reputation as per public information available etc.

The above mentioned list is only illustrative and the intermediary shall exercise independent judgment to ascertain whether any other set of clients shall be classified as CSC or not.

#### **5.5 Client identification procedure:**

5.5 The KYC policy shall clearly spell out the client identification procedure to be carried out at different stages i.e. while establishing the intermediary – client relationship, while carrying out transactions for the client or when the intermediary has doubts regarding the veracity or the adequacy of previously obtained client identification data. Intermediaries shall be in compliance with the following requirements while putting in place a Client Identification Procedure (**CIP**):

- a) All registered intermediaries shall proactively put in place appropriate risk management systems to determine whether their client or potential client or the beneficial owner of such client is apolitically exposed person. Such procedures shall include seeking relevant information from the client, referring to publicly available information or accessing the commercial electronic databases of PEPS. Further, the enhanced CDD measures as outlined in clause 5.5 shall also be applicable where the beneficial owner of a client is a PEP.
- b) All registered intermediaries are required to obtain senior management approval for establishing business relationships with PEPs. Where a client has been accepted and the client or beneficial owner is subsequently found to be, or subsequently becomes a PEP, registered intermediaries shall obtain senior management approval to continue the business relationship.
- c) Registered intermediaries shall also take reasonable measures to verify the sources of funds as well as the wealth of clients and beneficial owners identified as PEP”.
- d) The client shall be identified by the intermediary by using reliable sources including documents / information. The intermediary shall obtain adequate information to satisfactorily establish the identity of each new client and the purpose of the intended nature of the relationship.
- e) The information must be adequate enough to satisfy competent authorities (regulatory / enforcement authorities) in future that due diligence was observed by the intermediary in compliance with the directives. Each original document shall be seen prior to acceptance of a copy. Failure by prospective client to provide satisfactory evidence of identity shall be noted and reported to the higher authority within the intermediary.

#### **5.5 Reliance on third party for carrying out Client Due Diligence (CDD)**

- i. Registered intermediaries may rely on a third party for the purpose of (a) identification and verification Of the identity of a client and (b) determination of whether the client is acting on behalf of a beneficial owner, identification of the beneficial owner and verification of the identity of the beneficial owner. Such third party shall be regulated, supervised or monitored for, and have measures in place for Compliance with CDD and record-keeping requirements in line with the obligations under the PML Act.
- ii. Such reliance shall be subject to the conditions that are specified in Rule 9 (2) of the PML Rules and shall be in accordance with the regulations and circulars/ guidelines issued by SEBI from time to time. Further, it is clarified that the registered intermediary shall be ultimately responsible for CDD and undertaking enhanced due diligence measures, as applicable.

**Client Name:**

**Client Signature .....**

**5.5.1** SEBI has prescribed the minimum requirements relating to KYC for certain classes of registered intermediaries from time to time as detailed in the table. Taking into account the basic principles enshrined in the KYC norms which have already been prescribed or which may be prescribed by SEBI from time to time, all registered intermediaries shall frame their own internal directives based on their experience in dealing with their clients and legal requirements as per the established practices. Further, the intermediary shall conduct ongoing due diligence where it notices inconsistencies in the information provided. The underlying objective shall be to follow the requirements enshrined in the PMLA, SEBI Act and Regulations, directives and circulars issued there under so that the intermediary is aware of the clients on whose behalf it is dealing.

**5.5.2** Every intermediary shall formulate and implement a CIP which shall incorporate the requirements of the PML Rules Notification No. 9/2005 dated July 01, 2005 (as amended from time to time), which notifies rules for maintenance of records of the nature and value of transactions, the procedure and manner of maintaining and time for furnishing of information and verification of records of the identity of the clients of the banking companies, financial institutions and intermediaries of securities market and such other additional requirements that it considers appropriate to enable it to determine the true identity of its clients. PML Rules have recently been amended vide notification No. 13/2009 dated November 12, 2009 and need to be adhered to by registered intermediaries.

**5.3** It may be noted that irrespective of the amount of investment made by clients, no minimum threshold or exemption is available to registered intermediaries (brokers, depository participants, AMCs etc.) from obtaining the minimum information/documents from clients as stipulated in the PML Rules/SEBI Circulars (as amended from time to time) regarding the verification of the records of the identity of clients. Further no exemption from carrying out CDD exists in respect of any category of clients. In other words, there shall be no minimum investment threshold/ category-wise exemption available for carrying out CDD measures by registered intermediaries. This shall be strictly implemented by all intermediaries and non-compliance shall attract appropriate sanctions.

## **6. Record Keeping**

**6.1** Registered intermediaries shall ensure compliance with the record keeping requirements contained in the SEBI Act, 1992, Rules and Regulations made there-under, PMLA as well as other relevant legislation, Rules, Regulations, Exchange Bye-laws and Circulars.

**6.2** Registered Intermediaries shall maintain such records as are sufficient to permit reconstruction of individual transactions (including the amounts and types of currencies involved, if any) so as to provide, if necessary, evidence for prosecution of criminal behavior.

**6.3** Shall there be any suspected drug related or other laundered money or terrorist property, the competent investigating authorities would need to trace through the audit trail for reconstructing a financial profile of the suspect account. To enable this reconstruction, registered intermediaries shall retain the following information for the accounts of their clients in order to maintain a satisfactory audit trail:

- (a) the beneficial owner of the account;
- (b) the volume of the funds flowing through the account; and
- (c) for selected transactions:

- the origin of the funds;
- the form in which the funds were offered or Withdrawn, e.g. cheques, demand drafts etc.
- the identity of the person undertaking the transaction;
  - the destination of the funds;
  - the form of instruction and authority.

**Client Name:**

**Client Signature .....**

- 6.4 Registered Intermediaries shall ensure that all client and transaction records and information are available on a timely basis to the competent investigating authorities. Where required by the investigating authority, they shall retain certain records, e.g. client identification, account files, and business correspondence, for periods which may exceed those required under the SEBI Act, Rules and Regulations framed there-under PMLA, other relevant legislations, Rules and Regulations or Exchange bye-laws or circulars.
- 6.5 More specifically, all the intermediaries shall put in place a system of maintaining proper record of transactions prescribed under Rule 3 of PML Rules as mentioned below:
- (i) all cash transactions of the value of more than rupees ten lakh or its equivalent in foreign currency;
  - (ii) all series of cash transactions integrally connected to each other which have been valued below rupees ten lakh or its equivalent in foreign currency where such series of transactions have taken place within a month and the aggregate value of such transactions exceeds rupees ten lakh;
  - (iii) all cash transactions where forged or counterfeit currency notes or bank notes have been used as genuine and where any forgery of a valuable security has taken place;
  - (iv) all suspicious transactions whether or not made in cash and by way of as mentioned in the Rules.

## **7. Information to be maintained**

Intermediaries are required to maintain and preserve the following information in respect of transactions referred to in Rule 3 of PML Rules:

- I. the nature of the transactions;
- II. the amount of the transaction and the currency in which it is denominated;
- III. the date on which the transaction was conducted; and
- IV. the parties to the transaction.

## **8. Retention of Records**

- 8.1 Intermediaries shall take appropriate steps to evolve an internal mechanism for proper maintenance and preservation of such records and information in a manner that allows easy and quick retrieval of data as and when requested by the competent authorities. Further, the records mentioned in Rule 3 of PML Rules have to be maintained and preserved for a period of five years from the date of transactions between the client and intermediary.
- 8.2 As stated in sub-section 5.5, intermediaries are required to formulate and implement the CIP containing the requirements as laid down in Rule 9 of the PML Rules and such other additional requirements that it considers appropriate. "Records evidencing the identity of its clients and beneficial owners as well as account files and business correspondence shall be maintained and preserved for a period of five years after the business relationship between a client and intermediary has ended or the account has been closed, whichever is later."
- 8.3 Thus the following document retention terms shall be observed:
- (a) All necessary records on transactions, both domestic and international, shall be maintained at least for the minimum period prescribed under the relevant Act and Rules (PMLA and rules framed there under as well SEBI Act) and other legislations, Regulations or exchange bye-laws or circulars.
  - (b) "Registered intermediaries shall maintain and preserve the record of documents evidencing the identity of its clients and beneficial owners (e.g., copies or records of official identification documents like passports, identity cards, driving licenses or similar documents) as well as account files and business correspondence for a period of five years after the business relationship between a client and intermediary has ended or the account has been closed, whichever is later."

**Client Name:**

**Client Signature .....**

- 8.4 In situations where the records relate to on-going investigations or transactions which have been the subject of a suspicious transaction reporting, they shall be retained until it is confirmed that the case has been closed.

### **8.5 Records of information reported to the Director, Financial Intelligence**

**Unit - India (FIU-IND):** Registered intermediaries shall maintain and preserve the record of information related to transactions, whether attempted or executed, which are reported to the Director, FIU-IND, as required under Rules 7 & 8 of the PML Rules, for a period of five years from the date of the transaction between the client and the intermediary.

### **9. Monitoring of transactions**

- 9.1 Regular monitoring of transactions is vital for ensuring effectiveness of the AML procedures. This is possible only if the intermediary has an understanding of the normal activity of the client so that it can identify deviations in transactions / activities.
- 9.2 The intermediary shall pay special attention to all complex, unusually large transactions / patterns which appear to have no economic purpose. The intermediary may specify internal threshold limits for each class of client accounts and pay special attention to transactions which exceeds these limits. The background including all documents/office records /memorandums/clarifications sought pertaining to such transactions and purpose thereof shall also be examined carefully and findings shall be recorded in writing. Further such findings, records and related documents shall be made available to auditors and also to SEBI/stock exchanges/FIUIND/ other relevant Authorities, during audit, inspection or as and when required. These records are required to be maintained and preserved for a period of five years from the date of transaction between the client and intermediary.
- 9.3 The intermediary shall ensure a record of the transactions is preserved and maintained in terms of Section 12 of the PMLA and that transactions of a suspicious nature or any other transactions notified Under Section 12 of the Act are reported to the Director, FIU-IND. Suspicious transactions shall also be regularly reported to the higher authorities within the intermediary.
- 9.4 Further, the compliance cell of the intermediary shall randomly examine a selection of transactions undertaken by clients to comment on their nature i.e. whether they are in the nature of suspicious transactions or not.

### **10. Suspicious Transaction Monitoring & Reporting**

- 10.1 Intermediaries shall ensure that appropriate steps are taken to enable suspicious transactions to be recognized and have appropriate procedures for reporting suspicious transactions. While determining suspicious transactions, intermediaries shall be guided by the definition of a suspicious transaction contained in PML Rules as amended from time to time.
- 10.2 A list of circumstances which may be in the nature of suspicious transactions is given below. This list is only illustrative and whether a particular transaction is suspicious or not will depend upon the background, details of the transactions and other facts and circumstances:
- a) Clients whose identity verification seems difficult or clients that appear not to cooperate
  - b) Asset management services for clients where the source of the funds is not clear or not in keeping with clients apparent standing /business activity;
  - c) Clients based in high risk jurisdictions;
  - d) Substantial increases in business without apparent cause;
  - e) Clients transferring large sums of money to or from overseas locations with instructions for payment in cash;
  - f) Attempted transfer of investment proceeds to apparently unrelated third parties;
  - g) Unusual transactions by CSCs and businesses undertaken by offshore banks/financial services, businesses reported to be in the nature of export- import of small items.

**Client Name:**

**Client Signature .....**

- 10.3** Any suspicious transaction shall be immediately notified to the Money Laundering Control Officer or any other designated officer within the intermediary. The notification may be done in the form of a detail report with specific reference to the clients, transactions and the nature /reason of suspicion. However, it shall be ensured that there is continuity in dealing with the client as normal until told otherwise and the client shall not be told of the report/suspicion. In exceptional circumstances, consent may not be given to continue to operate the account, and transactions may be suspended, in one or more jurisdictions concerned in the transaction, or other action taken. The Principal Officer/Money Laundering Control Officer and other appropriate compliance, risk management and related staff members shall have timely access to client identification data and CDD information, transaction records and other relevant information.
- 10.4** It is likely that in some cases transactions are abandoned or aborted by clients on being asked to give some details or to provide documents. It is clarified that intermediaries shall report all such attempted transactions in STRs, even if not completed by clients, irrespective of the amount of the transaction.
- 10.5** Clause 5.4(vii) of this Master Circular categorizes clients of high risk countries, including countries where existence and effectiveness of money laundering controls is suspect or which do not or insufficiently apply FATF standards, as 'CSC'. Intermediaries are directed that such clients shall also be subject to appropriate counter measures. These measures may include a further enhanced scrutiny of transactions, enhanced relevant reporting mechanisms or systematic reporting of financial transactions, and applying enhanced due diligence while expanding business relationships with the identified country or persons in that country etc.
- 11. List of Designated Individuals/Entities**  
An updated list of individuals and entities which are subject to various sanction measures such as Freezing of assets/accounts, denial of financial services etc., as approved by the Security Council Committee established pursuant to various United Nations' Security Council Resolutions (UNSCRs) can be accessed at its website at <http://www.un.org/sc/committees/1267/consolist.shtml>. Registered intermediaries are directed to ensure that accounts are not opened in the name of anyone whose name appears in said list. Registered intermediaries shall continuously scan all existing accounts to ensure that no account is held by or linked to any of the entities or individuals included in the list. Full details of accounts bearing resemblance with any of the individuals/entities in the list shall immediately be intimated to SEBI and FIU-IND.
- 12. Procedure for freezing of funds, financial assets or economic resources or related services**  
Section 51A, of the Unlawful Activities (Prevention) Act, 1967 (**UAPA**), relating to the purpose of prevention of, and for coping with terrorist activities was brought into effect through UAPA Amendment Act, 2008. In this regard, the Central Government has issued an Order dated [August 27, 2009](#) detailing the procedure for the implementation of Section 51A of the UAPA. Under the aforementioned Section, the Central Government is empowered to freeze, seize or attach funds and other financial assets or economic resources held by, on behalf of, or at the direction of the individuals or entities listed in the Schedule to the Order, or any other person engaged in or suspected to be engaged in terrorism. The Government is also further empowered to prohibit any individual or entity from making any funds, financial assets or economic resources or related services available for the benefit of the individuals or entities listed in the Schedule to the Order or any other person engaged in or suspected to be engaged in terrorism. The obligations to be followed by intermediaries to ensure the effective and expeditious implementation of said Order has been issued vide SEBI Circular ref. no: [ISD/AML/CIR-2/2009 dated October 23, 2009](#), which needs to be complied with scrupulously.

Client Name:

Client Signature .....



### 13. Reporting to Financial Intelligence Unit-India

13.1 In terms of the PML Rules, intermediaries are required to Report information relating to cash and suspicious transactions to the Director, Financial Intelligence Unit-India (FIU-IND) at the following address:

Director, FIU-IND,  
Financial Intelligence Unit-India,  
6th Floor, Hotel Samrat,  
Chanakyapuri,  
New Delhi-110021.

Website: <http://fiuindia.gov.in>

13.2 Intermediaries shall carefully go through all the reporting requirements and formats enclosed with this circular. These requirements and formats are divided into two parts- Manual Formats and Electronic Formats. Details of these formats are given in the documents ([Cash Transaction Report- version 1.0](#) and [Suspicious Transactions Report version 1.0](#)) which are also enclosed with this circular. These documents contain detailed directives on the compilation and manner/procedure of submission of the manual/electronic reports to FIU-IND. The related hardware and technical requirement for preparing reports in manual/electronic format, the related data files and data structures thereof are also detailed in these documents. Intermediaries, which are not in a position to immediately file electronic reports, may file manual reports with FIU-IND as per the formats prescribed. While detailed instructions for filing all types of reports are given in the instructions part of the related formats, intermediaries shall adhere to the following:

- (a) The Cash Transaction Report (**CTR**) (wherever applicable) for each month shall be submitted to FIU-IND by 15th of the succeeding month.
- (b) The Suspicious Transaction Report (**STR**) shall be submitted within 7 days of arriving at a conclusion that any transaction, whether cash or non-cash, or a series of transactions integrally connected are of suspicious nature. The Principal Officer shall record his reasons for treating any transaction or a series of transactions as suspicious. It shall be ensured that there is no undue delay in arriving at such a conclusion.
- (c) The Principal Officer will be responsible for timely submission of CTR and STR to FIU-IND;
- (d) Utmost confidentiality shall be maintained in filing of CTR and STR to FIU-IND. The reports may be transmitted by speed/registered post/fax at the notified address.
- (e) No nil reporting needs to be made to FIU-IND in case there are no cash/suspicious transactions to be reported.

13.3 Intermediaries shall not put any restrictions on operations in the accounts where an STR has been made. Intermediaries and their directors, officers and employees (permanent and temporary) shall be prohibited from disclosing ("tipping off") the fact that a STR or related information is being reported or provided to the FIU-IND.

This prohibition on tipping off extends not only to the filing of the STR and/or related information but even before, during and after the submission of an STR. Thus, it shall be ensured that there is no tipping off to the client at any level.

It is clarified that the registered intermediaries, irrespective of the amount of transaction and/or the threshold limit envisaged for predicate offences specified in part B of Schedule of PMLA, 2002, shall file STR if they have reasonable grounds to believe that the transactions involve proceeds of crime.

### 14. Designation of an officer for reporting of suspicious transactions

14.1 To ensure that the registered intermediaries properly discharge their legal obligations to report suspicious transactions to the authorities, the Principal Officer would act as a central reference point in facilitating onward reporting of suspicious transactions and for playing an active role in the identification and assessment of potentially suspicious transactions and shall have access to and be able to report to senior management at the next reporting level or the Board of Directors.

Client Name:

Client Signature .....

Names, designation and addresses (including email addresses) of 'Principal Officer' including any changes therein shall also be intimated to the Office of the Director-FIU. As a matter of principle, it is advisable that the 'Principal Officer' is of a sufficiently senior position and is able to discharge the functions with independence and authority.

#### **14.2 Appointment of a Designated Director**

1. In addition to the existing requirement of designation of a Principal Officer, the registered intermediaries shall also designate a person as a 'Designated Director'. In terms of Rule 2 (ba) of the PML Rules, the definition of a

##### **Designated Director reads as under:**

"Designated Director means a person designated by the reporting entity to ensure overall compliance with the obligations imposed under chapter

##### **IV of the Act and the Rules and includes —**

- (i) the Managing Director or a Whole-time Director duly authorized by the Board of Directors if the reporting entity is a company,
  - (ii) the managing partner if the reporting entity is a partnership firm,
  - (iii) the proprietor if the reporting entity is a proprietorship concern,
  - (iv) the managing trustee if the reporting entity is a trust,
  - (v) a person or individual, as the case may be, who controls and manages the affairs of the reporting entity if the reporting entity is an unincorporated association or a body of individuals, and
  - (vi) such other person or class of persons as may be notified by the Government if the reporting entity does not fall in any of the categories above."
- ii. In terms of Section 13 (2) of the PML Act (as amended by the Prevention of Money-laundering (Amendment) Act, 2012), the Director, FIU-IND can take appropriate action, including levying monetary penalty, on the Designated Director for failure of the intermediary to comply with any of its AML/CFT obligations.
  - iii. Registered intermediaries shall communicate the details of the Designated Director, such as, name, designation and address to the Office of the Director, FIU-IND.

#### **15. Employees' Hiring/Employee's Training/ Investor Education**

##### **15.1 Hiring of Employees**

The registered intermediaries shall have adequate screening procedures in place to ensure high standards when hiring employees. They shall identify the key positions within their own organization structures having regard to the risk of money laundering and terrorist financing and the size of their business and ensure the employees taking up such key positions are suitable and competent to perform their duties.

##### **15.2 Employees' Training**

Intermediaries must have an ongoing employee training programme so that the members of the staff are adequately trained in AML and CFT procedures. Training requirements shall have specific focuses for frontline staff, back office staff, compliance staff, risk management staff and staff dealing with new clients. It is crucial that all those concerned fully understand the rationale behind these directives, obligations and requirements, implement them consistently and are sensitive to the risks of their systems being misused by unscrupulous elements.

##### **15.3 Investors Education**

Implementation of AML/CFT measures requires intermediaries to demand certain information from investors which may be of personal nature or has hitherto never been called for. Such information can include documents evidencing source of funds/income tax returns/bank records etc. This can sometimes lead to raising of questions by the client with regard to the motive and purpose of collecting such information. There is, therefore, a need for intermediaries to sensitize their clients about these requirements as the ones emanating from AML and CFT framework. Intermediaries shall prepare specific literature/ pamphlets etc. so as to educate the client of the objectives of the AML/CFT programme.

**Client Name:**

**Client Signature .....**



## **POLICIES & PROCEDURE**

### **POLICY FOR IN-ACTIVE/DORMANT ACCOUNT**

An account will be considered as dormant/in-active account, when no transactions have taken place in the client's account during the last 6 months from the date of last transaction. The account will be deactivated and no transaction will be allowed in the said account.

A client's account will be reactivated only subject to certain conditions as UKS FOREX Pvt. Ltd may consider fit and proper: on submission of a written request by the client accompanied by valid proof of identity and valid proof of address and also such other information/documents as deemed fit by UKS FOREX Pvt. Ltd.

### **Applicable brokerage rate**

Brokerage will be charged within the limits prescribed by SEBI/Exchange.

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

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

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

Without any further reference to the client and without prior notification and any resultant or associated losses that may occur due to such squaring off or sale of securities shall be borne by the client.

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

We have margin based RMS system. Client may take exposure upto the amount of margin available with us. Client may not be allowed to take position in case of non-availability/shortage of margin as per our RMS policy of the company. The existing position of the client is also liable to square off/close out without giving notice due to shortage of margin/ non making of payment for their payin obligation/outstanding debts

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

On the request of the client in writing, the client account can be suspended temporarily or closed. In case of suspension, the client has to clearly mention the period of suspension. In cases of accounts suspended on the requests of clients, the same can be reactivated only after obtaining a written request of the client along with his Proof of Identity and Proof of Address also such other information/documents as deemed fit by UKS FOREX Pvt. Ltd.

### **Deregistering a client**

Notwithstanding anything to the contrary stated in the agreement, the stock broker shall be entitled to terminate the agreement with immediate effect in any of the Following circumstances:

- (i) If the action of the client are prima facie illegal / improper or such as to manipulate the price of any securities or disturb the normal/proper functioning of securities or disturb the normal/proper functioning of the market, either alone or in conjunction with others.
- (ii) If there is any commencement of a legal process against the client under any law in force;
- (iii) On the death/lunacy or other disability of the Client;
- (iv) If the client being a partnership firm, has any steps taken by the Client and/or its partners for dissolution of the partnership;
- (v) If the Client suffers any adverse material change in his/her/its financial position or defaults in any other agreement with the Stock broker;

**Client Name:**

**Client Signature .....**

- (vi) If there is reasonable apprehension that the Client is unable to pay its debts or the Client has admitted its inability to pay its debts, as they become payable;
- (vii) If the Client is in breach of any term, condition or covenant of this Agreement;
- (viii) If the Client has made any material misrepresentation of facts, including (Without limitation) in relation to the Security;
- (ix) If a receiver, administrator or liquidator has been appointed or allowed to be appointed of all or any part of the undertaking of the Client;
- (x) If the Client have taken or suffered to be taken any action for its reorganization, liquidation or dissolution;
- (xi) If the Client has voluntarily or compulsorily become the subject of proceedings under any bankruptcy or insolvency law or being a company, goes into liquidation or has a receiver appointed in respect of its assets or refers itself to the Board for Industrial and Financial Reconstruction or under any other law providing protection as a relief undertaking;
- (xii) If any covenant or warranty of the Client is incorrect or untrue in any material respect;

**INACTIVE CLIENT ACCOUNT:** - Client account will be considered as inactive if the client does not trade for period of one year. Calculation will be done at the beginning of every month and those clients who have not traded even a single time will be considered as inactive, the shares/ credit ledger balance if any will be transferred to the client within one week of the identifying the client as inactive. The client has to make written request for reactivation of their account.

Trading in Exchange is in Electronic Mode, based on VSAT, leased line, ISDN, Modem and VPN, combination of technologies and computer systems to place and route orders. I/we understand that there exists a possibility of communication failure or system problems or slow or delayed response from system or trading halt or any break down in our back office/ front end system, or any such other problems/glitch whereby not being able to establish access to the trading system/network, which may be beyond your control and may result in delay in processing or not processing buy or sell Orders either in part or in full. I/We shall be fully liable and responsible for any such problem/fault.

#### **Client Registration :**

**UKS Forex Private Limited** has taken due care in the preparation of the Client Registration Forms in the format as prescribed by SEBI and Stock exchanges. The forms which are duly filled and signed are collected at the Branch offices. In-person Verification is done at the branch level by the trained Employee. Verifying Personnel's Name, Designation Signature and date of verification is marked in the Registration form as well as on the copy of the PAN. Then the client details are entered in the Back Office software from the branch level. The original forms and supporting documents are then forwarded to the Corporate office. At the Corporate Office, they are first entered in the inward register and then thoroughly verified.

Defective forms are sent back to branches for rectification with a covering note. For all satisfactory forms, PAN is checked with IT site and then required additional details, if any are entered in the back office, based on the Original form. For Corporate clients we are collecting three years audited financial statement and income tax return. For Individual clients we have incorporated financial details in our client registration kit and it is ensured that the same is duly filled by the client and the bank statement for the previous six months are also collected from the clients. Another official generates the Unique Client Code and thereby activates the account after cross verification of all the details once again. The required client details are then uploaded to Stock Exchange site. After obtaining the Success file, the same is given to the Risk Management & Surveillance department for mapping in the trading terminal.

**Client Name:**

**Client Signature .....**

A welcome kit including a welcome letter mentioning the Client code, Xerox copy of the Client registration form & MCAs are sent to the Client by UCP and the proof of dispatch is maintained. The Unique Client Code activated for the client is intimated to the client by means of E-mail & SMS simultaneously.

All the Client forms and the supporting documents are kept in safe custody at the Corporate Office Premises. We have also started the process of updating the Client details including the Financial details at regular intervals. This process is done in co-ordination with our Branch Offices.

#### **Client Transfer from one branch to another**

Transfer request from the client is obtained in the prescribed format, specifying the reason for shifting. The form should be duly signed by the client and the concerned Branch In Charge. The same is forwarded to the Head Office where it is processed after the signatures are being verified. Any pending settlements in the existing code are also thoroughly cross verified. Then the existing code is deactivated and the client is provided with a new unique code. The details are updated in the Back Office as well as with the Stock Exchanges.

#### **Account Closure**

Closure request from the client is obtained in the prescribed format, specifying the reason for closure. The form should be duly signed by the client and the concerned Branch In Charge. The same is forwarded to the Head Office where it is processed after the signatures are being verified. Any pending settlements in the existing code are also thoroughly cross verified. An exit interview over telephone is taken from the HO end. Then the existing code is deactivated in BO software as well in the Exchange records. Closure intimation is sent to the client either through E-mail or through post. Interdepartmental intimation is also sent in such cases.

#### **Refusal of orders for penny / illiquid stock**

The stock broker may from time to time limit (quantity / value) / refuse orders in one or more securities due to various reasons including market liquidity, value of security (ies), the order being for securities which are not in the permitted list of the stock broker / exchange(s) / SEBI. Provided further that stock broker may require compulsory settlement / advance payment of expected settlement value / delivery of securities for settlement prior to acceptance / placement of order(s) as well. The client agrees that the losses, if any on account of such refusal or due to delay caused by such limits, shall be borne exclusively by the client alone. The stock broker may require reconfirmation of orders, which are larger than that specified by the stock broker's risk management, and is also aware that the stock broker has the discretion to reject the execution of such orders based on its risk perception.

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

The stock broker may from time to time impose and vary limits on the orders that the client can place through the stock brokers trading system (including exposure limits, turnover limits, limits as to the number, value and / or kind of securities in respect of which orders can be placed etc.). The client is aware and agrees that the stock broker may need to vary or reduce the limits or impose new limits urgently on the basis of the stock brokers risk perception and other factors considered relevant by the stock broker including but not limited to limits on account of exchange / SEBI directions / limits (such as broker level / market level limits in security specific / volume specific exposures etc.) and the 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 trading system on account of any such variation, reduction or imposition of limits.

**Client Name:**

**Client Signature .....**

The client further agrees that the stock broker 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 stock broker, or it may subject any order placed by the client to a review before its entry into the trading systems and may refuse to execute / allow execution of orders due to but not limited to the reason of lack of margin / securities or the order being outside the limits set by stock broker / exchange / SEBI and any other reasons which the stock broker may deem appropriate in the circumstances.

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

The client is not entitled to trade without adequate margin / security and that it shall be his / her / its responsibility to ascertain beforehand the margin / security requirements for his / her / its orders / trades / deals and to ensure that the required margin / security is made available to the stock broker in such form and manner as may be required by the stock broker. If the client's order is executed despite a shortfall in the available margin, the client shall, whether or not the stock broker intimates such shortfall in the margin to the client, make up the shortfall suo moto immediately. The client further agrees that he / she / it shall be responsible for all orders (including any orders that may be executed without the required margin in the client's account) & / or any claim / loss / damage arising out of the non-availability / shortage of margin / security required by the stock broker & / or exchange & / or SEBI. The stock broker is entitled to vary the form (i.e., the replacement of the margin / security in one form with the margin / security in any other form, say, in the form of money instead of shares) & / or quantum & or percentage of the margin & / or security required to be deposited / made available, from time to time. The margin / security deposited by the client with the stock broker are not eligible for any interest. The stock broker is entitled to include / appropriate any / all pay out of funds & / or securities towards margin / security without requiring specific authorizations for each pay out. The stock broker is entitled to transfer funds & / or securities from his account for one exchange & / or securities from his account for one exchange & or one segment of the exchange to his / her / its account for another exchange & / or another segment of the same exchange whenever applicable and found necessary by the stock broker. The client also agrees and authorises the stock broker to treat / adjust his / her / its margin / security lying in one exchange & / or one segment of the exchange / towards the margin / security / pay in requirements of another exchange & / or another segment of the exchange.

**Client Name:**

**Client Signature .....**

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

**(a) For Cash Market Segment:**

The maximum brokerage chargeable in relation to trades effected in the securities admitted to dealings on the Capital Market segment of the Exchange shall be 2.5% of the contract price exclusive of statutory levies. It is hereby further clarified that where the sale / purchase value of a share is Rs. 10/- or less, a maximum brokerage of 25 paise per share may be collected.

**(b) For Option Contracts:**

Brokerage for option contracts shall be charged on the premium amount at which the option contract was bought or sold and not on the strike price of the option contract. It is hereby further clarified that brokerage on options contracts shall not exceed 2.5% of the premium amount or Rs. 100/- (per lot) whichever is higher. However brokerage and other charges as agreed by the Client is indicated and duly signed by the client under brokerage slab. If there is any upward revision of brokerage, the same will be informed to the client with 15 days prior notice.

**Imposition of penalty / delayed payment charges**

The client agrees that any amounts which are overdue from the client towards trading or on account of any other reason to the stock broker will be charged with delayed payment charges at such rates as may be determined by the stock broker. The client agrees that the stock broker may impose fines / penalties for any orders / trades / deals / actions of the client which are contrary to this agreement / Rules / Regulations / Bye laws of the exchange or any other law for the time being in force, at such rates and in such form as it may deem fit. Further where the stock broker has to pay any fine or bear any punishment from any authority in connection with / as a consequence of / in relation to any of the orders / trades / deals / actions of the client, the same shall be borne by the client.

The client agrees to pay to the stock broker brokerage, commission, fees, all taxes, duties, levies imposed by any authority including but not limited to the stock exchanges (including any amount due on account of reassessment / backlogs etc.), transaction expenses, incidental expenses such as postage, courier etc. as they apply from time to time to the client's account / transactions / services that the client avails from the stock broker.

**The right to sell client's securities or close clients. Positions**, without giving notice to the client, on account of non-payment of client's dues. The stock broker maintains centralised banking and securities handling processes and relating banking and depository accounts at designated place. The client shall ensure timely availability of funds / securities in designated form and manner at designated time and in designated bank and depository account(s) at designated place, for meeting his/her/its pay in obligation of funds and securities. The stock broker shall not be responsible for any claim / loss / damage arising out of non availability of funds / securities by the client in the designated account(s) of the stock broker for meeting the pay in obligation of either funds or securities. If the client gives orders / trades in the anticipation of the required securities being available subsequently for pay in through anticipated pay out from the exchange or through borrowings or any off market delivery(s) or market delivery(s) and if such anticipated availability does not materialise in actual availability of securities / funds for pay in for any reason whatsoever including but not limited to any delays / shortages at the exchange or stock broker level / non release of margin by the stock broker etc., the losses which may occur to the client as a consequence of such shortages in any manner such as on account of auctions / square off / closing outs etc., shall be solely to the account of the client and the client agrees not to hold the stock broker responsible for the same in any form or manner whatsoever.

**Client Name:**

**Client Signature .....**

In case the payment of the margin / security is made by the client through a bank instrument, the stock broker shall be at liberty to give the benefit / credit for the same only on the realization of the funds from the said bank instrument etc. at the absolute discretion of the stock broker Where the margin / security is made available by way of securities or any other property, the stock broker is empowered to decline its acceptance as margin / security & / or to accept it at such reduced value as the stock broker may deem fit by applying haircuts or by valuing it by marking it to market or by any other method as the stock broker may deem fit in its absolute discretion. The stock broker has the right but not the obligation, to cancel all pending orders and to sell / close / liquidate all open positions / securities / shares at the pre-defined square off time or when Mark to Market loss (M-T-M) reaches the speculated % or margin available with the broker is not sufficient to cover the risk; or the client have not taken any steps either to replenish the margin or reduce the Mark to Market loss. The stock broker will have the sole discretion to decide referred stipulated margin percentage depending upon the market condition. In the event of such square off, the client agrees to bear all the losses based on actual executed prices.

In case open position (i.e. short / long) gets converted into delivery due to non square off because of any reason whatsoever, the client agrees to provide securities / funds to fulfill the payin obligation failing which the client will have to face auctions or internal close outs; in addition to this, the client will have to pay penalties and charges levied by the exchange in actual and losses, if any. Without prejudice to the foregoing, the client shall also be solely liable for all and any penalties and charges levied by the exchange(s).

The stock broker is entitled to prescribe the date and time by which the margin / security is to be made available and the stock broker may refuse to accept any payments in any form after such deadline for margin / security expires. Notwithstanding anything to the contrary in the agreement or elsewhere, if the client fails to maintain or provide the required margin / fund / Security or to meet the funds / margins / securities pay in obligations for the orders / trades / deals of the client within the prescribed time and form, the stock broker shall have the right without any further notice or communication to the client to take any one or more of the following steps:

To withhold any payout of funds / securities.

To withhold / disable the trading /dealing facility to the client.

To liquidate one or more security(s) of the client by selling the same in such manner and at such rate which the stock broker may deem fit in its absolute discretion. It is agreed and understood by the client that securities here includes securities which are pending delivery / receipt.

To liquidate / square off partially or fully the position of sale & / or purchase in any one or more securities / contracts in such manner and at such rate which the stock broker may decide in its absolute discretion.

To take any other steps which in the given circumstances, the stock broker may deem fit. The client agrees that the loss(es) if any, on account of any one or more steps as enumerated herein above being taken by the stock broker, shall be borne exclusively by the client alone and agrees not to question the responsibilities, requirements, timing, manner, form, pricing etc., which are chosen by the stock broker.

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

Stock broker shall not be obliged to deliver any securities or pay any money to the client unless and until the same has been received by the stock broker from the exchange, the clearing corporation / clearing house or other company or entity liable to make the payment and the client has fulfilled his / her / its obligations first. The policy and procedure for settlement of shortages in obligations arising out of internal netting of trades is as under:

The Securities delivered short are purchased from the market on or before T + 2 day and the purchase consideration (including all statutory charges and levies) along with a penalty is debited to the short delivery seller client

Client Name:

Client Signature .....

If the Security cannot be purchased from market due to any force majeure condition, the shortages will be closed out as under. On the Pay in / payout date, the short delivering client (The Seller) is debited by an amount equivalent to 10% above the closing rate of day prior to the payin / payout day ie; T + 1 day and the corresponding buyer will be credited by the equivalent amount. A penalty of 1% is levied to the seller client on the closeout value In case of Corporate action like, Split, bonus, etc. exist in the particular scrip, then the obligation will be closed out at 10% above the closing price on the previous day of pay in/ Pay out (T + 1) or highest rate prevailing from the trading date (T Day) till the closeout day (T + 2) The Stock broker shall have the right to adopt a policy of its choice for internal auctions arising out of internal netting of trades and charge to default seller and compensate the impacted purchaser as per the policy. The current procedure for internal auction may be amended from time to time with prospective effect and will be published on the website.

**Client Name:**

**Client Signature .....**

**Request for sending Contract Notes, Account Statements / Documents etc. on my Email ID**

This is with reference to the Member Client Agreement dated 20-04-2010 for registering as client with UKS FOREX PRIVATE LIMITED.,(UKSFPL)

I/We am/are aware that Contract Note, Bills, Ledgers, Transaction statement,(Statement of funds/Securities) Reports, letter, circulars, etc. can be received through electronic mode i.e. Email. In this regards I/We hereby Undertake & confirm for the following

1. To receive Contract Note, Bills, Ledgers, Transaction statement,(Statement of funds/Securities) report, letter, circulars, etc in electronic form at email Id provided by me/us to UKSFPL in relation to trades / transaction done on the exchanges through UKSFPL.

2. To complete the necessary formalities that are required under the provisions of the Information technology Act, 2000 for getting the above facility. I/We shall initially download the specified software (signature verifier utility) or any other software

as may be advised by stock broker from time to time on our computer and the same shall be used for receiving, viewing, storing the Contract Note, Bills, Ledgers, Transaction statement,(Statement of funds/Securities), reports, letters, circulars, etc that shall be sent by the UKSFPL from time to time in respect of the trades/ transactions that have been executed by me/us through the stock broker.

3. Contract Note, Bills, Ledgers, Transaction statement,(Statement of funds/Securities), report, letter, circulars, etc sent by UKSFPL from time to time to my/our email id shall be deemed to have been delivered to me and it shall be presumed that the same is in order unless any discrepancies are given by me / us in writing to UKSFPL within 24 hours of receipt of the same . I/We confirm that non-receipt of bounced mail notification by the member shall amount to delivery of the contract note at the above mentioned e-mail ID.

4. In case of my/our written request for physical Contract Note, Bills, Ledgers, Transaction statement,(Statement of funds/Securities), reports, letters, circulars, etc, I/we shall personally collect or may be sent at address specified in requesting letter (at cost, if any, as applicable).

5. I/We hereby state that the handing over of the said contract note(s) / bill(s) / Ledgers / Confirmation notes or any communication in respect of my /our transactions relating to my /our trading account with UKSFPL, at addresses mentioned in my / our request letter shall be treated as due discharge of obligation of the Member under the Rules and Regulations and bye-laws of SEBI and the stock exchange(s).

6. Contract notes, bills, ledgers, transaction statement (Statement of funds/Securities) may also be kept on UKSFPL back office website which can be downloaded by me/us through the login id and password provided by UKSFPL to me / us.

7. The above service may require to, use password /digital signature and I/We will be responsible for confidentiality and proper use at all time of password/ digital signature for all transactions initialed through the service.

Yours faithfully,

**Client Name:**

**Client Signature .....**



## **AUTHORITY LETTER FOR MAINTAINING RUNNING ACCOUNT**

Dear Sir/Madam,

Please refer to the trading account opened with you, in my/our name for the purposes of dealing in Currency Derivatives Segments on the stock exchange(s). With reference to the same, I/we confirm that I/we am/are desirous of regularly dealing in Currency Derivatives Segments on the stock exchange(s) and request you to maintain a running account for funds on my/our behalf without settling the account on settlement of each transaction on my/our behalf. I/We further request you to retain all amounts payable/receivable by me/us until specifically requested by me/us in writing to be settled or to be dealt with in any other manner.

I/We understand and agree that no interest will be payable to me/us on the amounts or securities so retained with you.

I/We understand that settlement of my/our account would be done either once in a calendar quarter or once in a calendar month as specified by me/us.

I/We request you to settle funds in my/our account as per my instruction.

I/We agree to check my/our Statement of Account, sent to me/us by you and also available in my/our account on the UKS FOREX website (<http://leoglobalindia.com/>), which contains extracts from ledger for funds and displays all receipts/deliveries of funds. I agree that if I/We fail to bring any dispute arising from the statement of accounts or settlement so made to your notice within 7 working days from the date of receipt of funds Or statement, as the case may be in writing by delivery at your operations office then in that event the statement of accounts or settlement so made shall attain finality and I/We shall have no right to dispute any/either of these ever.

Please further note that while I am entitled to revoke this authorization at any time, however, such revocation shall be subject to notice period of fifteen days from the date of physical receipt of revocation letter at your operations office to allow you to make necessary changes to handle my/our account without running account authorization

Thanking you.  
Yours Truly

## **FOR REGISTRATION AND VERIFICATION OF MOBILE NUMBER AND E-MAIL ADDRESS**

I/We am/are aware that **MSEI & NSE** Currency provide SMS/email alerts to the constituents (clients) of its member for trades executed on its platform. I/We hereby provide and confirm my/our mobile number and/or email address as stated below for the purpose of receipt of

### **SMS/email alerts.**

- I want to receive transaction alerts in SMS as well as email from Exchanges.
- I want to receive transaction alerts only in SMS from Exchanges.
- I want to receive transaction alerts only in Email from Exchanges.
- I do not want to receive any transaction alerts from Exchanges, specify reason

.....  
**The alerts should be sent on:**

**Mobile number (enter 10 digit mobile no.)**

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

E-mail Id:

I/We agree to the terms and conditions specified by the Exchange in its circular as modified from time to time. I/We am/are aware that the receipt of SMS/E-mail alerts on the above mobile number and/or email address can be stopped only on my/our written request.

**Client Code:**

**Client Name:**

**Client Signature .....**

### Intimation for Undertaking Pro Account Trading

To,  
All Clients

This is to inform you that we do trades for our Own Account (Proprietary) trading as well as on behalf of our clients in **MSEI, NSE CURRENCY** Futures Market / Option Market.

Kindly take the note of the same

Thanking you  
Yours truly,

**UKS FOREX PRIVATE LIMITED**

Client Code:

Client Signature 

### Client Code Modification

To,  
All Clients

This is to inform you that we do sometimes in case of necessity modify the client codes entered while making trades on behalf of the clients. The necessity to do so occurs when by mistake wrong client code is entered into the system.

Kindly take the note of the same

Thanking you  
Yours truly,

Client Code:

Client Signature 

## TARIFF SHEET

UNIQUE CLIENT CODE:

A.	MSEI / NSE-CDS		%	Minimum	Flat / Lot
	Currency Derivatives	Carry Forward			
		Square Off			
		Currency Options			

In case of purchase / sale value of a share is Rs.10/- or less, a minimum brokerage of 25 paise per share will be collected.

(Other charges like STT, Service Tax, Stamp Charges, Transaction Charges, SEBI Turnover Charges and any Other levies, if any, shall be levied as per the rate stipulated by the concerned Authority)

Client Name:

Client Signature .....

To,

M/s UKS FOREX PRIVATE LIMITED,  
Flat No. 203, Diamond House,  
Behind Topaz Building, Punjagutta,  
Hyderabad - 500 082.

**Sub: Adjustment in different Exchanges / Accounts maintained with you**

**Dear Sir,**

I/We executed/desire to execute and agreement with UKS FOREX Pvt. Ltd., for trading on the MSEI & NSE -CDS In this regard,

I/We hereby request you to treat the agreement between us whether in MSEI & NSE -CDS as co-extensive and therefore

I/We hereby authorized you to transfer, make adjustments and/or to set off a part or whole of the securities / Funds place as margin and/or any surplus funds in any of my accounts(s) maintained with you i.e. either in MSEI & NSE -CDS against the outstanding dues payable if any, by me/us in any of my/our account(s) maintained with UKS FOREX PRIVATE LIMITED. Or vice versa, notwithstanding anything contrary contained in the agreement between us. UKS FOREX PRIVATE LIMITED. Shall have right of lien on the credit balance in any of my/our accounts. Any entries passed by you in accordance with this authorization shall be binding on me/us.

Thanking You,

Yours Faithfully,

**Client Code:**

S. No		Name	Signature	Date
1.	Verified By	Mr. Shailender Singh		
2.	Authorised & Approved By	Mr. Ramakant Singhal		

**Client Name:**

**Client Signature .....**

Appendix A

Electronic Contract Note [ECN] – DECLARATION  
(VOLUNTARY)

To  
M/s UKS FOREX PRIVATE LIMITED,  
Flat No. 203, Diamond House,  
Behind Topaz Building, Punjagutta,  
Hyderabad - 500 082.

Dear Sir,

We, M/s. \_\_\_\_\_ a client with Member M/s. UKS FOREX PRIVATE LIMITED, of MSEI & NSE –CDS Exchange undertake as follows:

- I/We am aware that the Member has to provide physical contract note in respect of all the trades placed by me unless I myself want the same in the electronic form.
- I/We am aware that the Member has to provide electronic contract note for my convenience on my request only.
- Though the Member is required to deliver physical contract note, I find that it is inconvenient for me to receive physical contract notes. Therefore, I am voluntarily requesting for delivery of electronic contract note pertaining to all the trades carried out / ordered by me.
- I/We have access to a computer and am a regular internet user, having sufficient knowledge of handling the email operations.
- My/Our email id is \_\_\_\_\_; This has been created by me and not by someone else.
- I/We am aware that this declaration form should be in English or in any other Indian language known to me.
- This declaration is valid till 31st March 31th March, 2014 ( yyyy )

[The above declaration has been read and understood by me. I am aware of the risk involved in dispensing with the physical contract note, and do hereby take full responsibility for the same]

(The above lines must be reproduced in own handwriting of the client.)


**Client Code:**

**Pan No.:**

**Address:**

.

**Client Name:**

**Client Signature**  .....

**Designation: Director**

**Date:**

**Place: Hyderabad**

**Verification of the client signature done by,:**

**Name of the designated officer of the Member:**

**Signature:**

**Instructions:**

- This declaration form has to be sent by the Member to the client on the email id provided by client while opening the trading account.
- The client shall, on receipt of this email, print the email as well as the declaration form.
- The hard copy of the declaration shall be filled up by the client and submitted to the Member along with a signed hard copy of the email. The Member shall acknowledge the receipt of the declaration from the client.
- The size of the font of this declaration must be at least 12.

**Client Name:**

**Client Signature** .....

## **Acknowledgement From Client**

Date:

To,  
**UKS FOREX PRIVATE LIMITED**

Flat No. 203, Diamond House,  
Behind Topaz Building,  
Punjagutta, Hyderabad – 500 082.  
Phone No. +91 40 23416703, 04, 05  
Fax No. +91 40 66832642.

We \_\_\_\_\_ hereby confirm that we have received the copy of KYC Forms, Risk Disclosure Document, along with Investors' Rights and Obligation. We also confirm that We got my unique client code: \_\_\_\_\_.

Thanking you,



Client's Signature

(If Partner, Corporate, or Other signatory, then attest with firm/company seal.)

Date:

Place: HYDERABAD

Client Name:

Client Signature .....

### Client Contact Details

Contact Person :

Address :

Direct Tele No. :

Mobile No. :

Email Id :

Other :.....

### Clients Bank Details ( Copy of Cheque to be Enclosed)

Bank Name :

Address :

Account No. :

Account Type : SAVINGS ACCOUNT

IFS Code :

Date of Opening :.....

Client Code :

Client Name:

Client Signature .....

## **Check List for Individuals**

1. Complete KYC Form to be signed by person himself/herself
2. Copy of Pan Card
3. Proof of Address
4. Latest Bank Statement
5. IT Returns.
6. 2 Photo Graphs
7. One Cancelled Cheque.

### **Note:**

**All supporting documents should be Self-Attested by client.**

**Client Name:**

**Client Signature .....**

# UKS FOREX PVT LTD

Flat No. 203, Diamond House, Behind Topaz Building, Punjagutta, Hyderabad – 500 082.

Phone No. +91 40 23416703, 04, 05 Fax No. +91 40 66832642.

Website [www.leoglobalindia.com](http://www.leoglobalindia.com) E- Mail Id:info@leocommodities.com

## INPERSON VERIFICATION (KYC)

Client Name:

Client Code:

Trading Account Applications Form No.

Branch Series: 001

Branch Name: Head Office

Branch Code: 001

Employee Code: 004

Employee Name: **Mr. Ramakant Singhal**

Date of Verification:

Place of Verification: Hyderabad

Signature of the Employee:

Signature of the Constituent:

(To be signed in the presence of UKSF Officials)

Client Signature  .....

UKSF Authorised Person Signature: .....

Client Name:

Client Signature .....