

**Capstocks:**  
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**CLIENT REGISTRATION FORM  
NSE/BSE/MCX & CDSL  
INDIVIDUAL**

BRANCH CODE .....

NAME OF CLIENT 1 : .....

2 : .....

3 : .....

UNIQUE CLIENT CODE : .....

BO ID : 

1	2	0	2	9	8	0	0								
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Application No. CTD



**CAPSTOCKS AND SECURITIES (INDIA) PRIVATE LIMITED.**

### KYC CHECKLIST (PLEASE TICK WHEREVER APPROPRIATE)

Acceptable Documents should be clearly visible (copies of all documents to be self attested)		Please Tick
PAN Card	Account Holder & Joint Holder's (If any)	
Photograph	One coloured Front Face Photograph on photographic paper (Passport Size)	
Proof of Identity (POI) And Permanent Address(POA) (Any One)	1. Unique identification number (UID) (Aadhaar)	
	2. Valid Passport (Name, Address & Photo page)	
	3. Voter ID front and back	
	4. NREGA Job Card	
	5. Driving License Name, Address & Photo page	
Proof of Current/ Correspondence Address (Any One)	1. Valid Passport (Name, Address & Photo page)	
	2. Voter ID (front and back)	
	3. Driving License (Name, Address & Photo page)	
	4. Unique identification number (UID) (Aadhaar)	
	5. NREGA Job Card	
	6. National Population Register Letter	
	7. Deemed Proof of Address a. Utility bill which is not more than two months old of any service provider (electricity, telephone, post-paid mobile phone, piped gas, water bill). b. Property or Municipal Tax receipt. c. Pension or family pension payment orders (PPOs) issued to retired employees by Government Departments or Public Sector Undertakings, if they contain the address. d. Letter of allotment of accommodation from employer is sued by State Government or Central Government departments, statutory or regulatory bodies, public sector undertakings, scheduled commercial banks, financial institutions and listed companies leave and license agreements with such employers allotting official accommodation.	
Bank Proof With MICR/IFSC Code (1st Holder only)	1. Bank Statement I Bank Passbook with cheque leaf (not more than 2 months old)	
	2. Banker's Certificate on letterhead of the Bank (ORIGINAL)	
	3. Cancelled Personalized Cheque Leaf with Signature	
Demat Proof (1st Holder only)	1. Client Master	
	2. DP Statement	
	3. Transaction cum Holding Statement	
	4. Welcome Letter	
Proof of Income (Any One) (Mandatory for F&O/ Currency Derivatives Segment/Commodity Derivatives Segment)	1. Copy of ITR Acknowledgement	
	2. Copy of Form 16 or Salary Slip (not more than 3 months old)	
	3. CA Certified Net-worth certificate with UDIN not more than 1 year old)	
	4. Copy of Latest Demat Account Holding Statement	
	5. Bank Account Statement for last 6 months	
KYC Check points for NRI/ FN clients (allowed to trade subject to RBI and FEMA guidelines)	1. Passport copy mandatory	
	2. PIO Card/OCI Card and overseas address proof is mandatory	
	3. In case of merchant navy NRIs, Mariners declaration or certified copy of CDC (continuous Discharge Certificate) is to be submitted.	
	4. Authorised 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.	

### GENERAL INSTRUCTIONS

- All details to be filled in BLOCK Letters in Black / Blue Ink Only.
- Email ID & Mobile number is very important for account related passwords and transaction details.
- Corrections in the KYC form should be counter signed.
- Strike off which ever option, in the account opening form, is not applicable.
- All Originals to be produced for physical verification.
- If any proof of identity or address is in a foreign language, then transaction to English is required.
- Sole proprietor must make the application in his individual name & capacity.
- Name & address of the applicant mentioned on the KYC form, should match with the documentary proof submitted.
- Account will be opened as per Name appearing on Income Tax website
- Tick ( ) wherever applicable.
- Fields marked with are mandatory fields.
- Wherever state code and country code is to be furnished, the same should be the two digit code as per Indian Motor Vehicle, 1988 and ISO 3166 country code respectively list of which is available in form.
- KYC number of applicant is mandatory for updation of KYC details.
- OVD means "Officially Valid Document"

## INDEX OF DOCUMENTS

### MANDATORY DOCUMENTS AS PRESCRIBED BY SEBI / EXCHANGE(S) / CDSL

Sl.No.	Name of the Document	Brief Significant of the Document	Page No.
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		Part-II Document captures additional information about the constituent, relevant to Trading & Demat Account and an Instruction / Checklist	13-20
3	Tariff sheet	Document detailing the rate / amount of brokerage and other charges Levied for Trading in Stock / Commodity Exchange(s) / DP related Charges	21-22
4	Rights and Obligations	Part -IIIA Document stating the Rights & Obligations of Stock Broker/ Trading Member, Sub Broker and Client for Trading in Exchanges (including additional Rights & Obligations in case of Internet/Wireless Technology based Trading) as Prescribed by SEBI/Stock Exchanges	23-26
		Part -III B Rights and Obligation of Beneficial Owner and Depository Participant, as prescribed by SEBI and Depositories	27-29
		Part- III C Document Stating the Rights & Obligations of Member, Authorised Person and Client for Trading in Commodity Exchange (including RDD, Additional Rights & Obligations for Internet/Wireless Technology Based Trading) as pre scribed by SEBI/Stock Exchanges	29-36
5	Risk Disclosure Document (RDD)	Document detailing risks associated with dealing in the Capital Market, Derivatives, Currency and Commodity Segment	36-39
6	Policies and Procedures	Policies and Procedures	39-41
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### CAPSTOCKS & SECURITIES (INDIA) PVT. LTD

Registered / Correspondence Office : T.C 83/2956, 83/2957, 83/2958, Capstocks Towers, Fort PO, Trivandrum, Kerala - 695 023

CIN :- U67120KL2001PTC014680

GSTIN :- 32AABCC6234A1ZG

NSE :- Member Code : 11674, BSE :- Member Code : 3086, MCX: Member Code: 55990 SEBI Regn No. INZ0000165931

Clearing Member- Capstocks Securities (India) Pvt. Ltd.

NSE - 11674, BSE - 3086, MCX - 55990

Tel No. 0471-2461745, 2463735, 2463518. Email: cspl@Capstocks.com ,Web Site: www.Capstocks.com

CMD: Rajendran V, Email: rajendranv@Capstocks.com, Telephone: 0471-2476974  
 Compliance Officer: Amjad Hydari.M, Email : amjad@Capstocks.com, Telephone: 0471 - 4093338

**For any Grievance / Dispute, Please Contact:-**

Capstocks & Securities (India) Pvt. Ltd., at the registered/correspondence office address or Contact 91-471- 4093338 or mail to customer.redressal@Capstocks.com

In case not satisfied with the response, please contact the below concerned Exchange(s):

NSE Limited  
 Tel No: 022-2659 8190  
 E-Mail Id: ignse@nse.co.in

BSE Limited  
 Tel No: 022-2272 8097  
 E-Mail Id: is@bseindia.com

MCX  
 Tel No: 022 - 66494070  
 E-Mail Id: grievance@mcxindia.com

## INSTRUCTIONS FOR FILLING KYC FORM

### A. IMPORTANT POINTS:

1. Self attested copy of PAN card and Aadhaar 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
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.
12. Signatures can be in English or Hindi or any of the other languages contained in the 8th Schedule of the Constitution of India. Thumb impressions and signatures other than the above mentioned languages must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate / Special Executive Officer under his/her official seal
13. Signatures should be preferably in black ink.
14. Details of the Names, Address, Telephone Number(s), etc., of the Magistrate / Notary Public / Special Executive Magistrate / Special Executive Officer are to be provided in case of attestation done by them.
15. In case of additional signatures (for accounts other than individuals), separate annexures should be attached to the Account Opening Form.
16. In case of applications containing a Power of Attorney, the relevant Power of Attorney or the self-certified copy thereof, must be lodged along with the application.
17. All correspondence / queries shall be addressed to the first / sole applicant.
18. Strike off whichever option, in the Account Opening Form, is not applicable.

**FOR OFFICE USE ONLY**

1. Client Risk Categorisation Under PMLA

Low risk

Medium risk

High risk

UCC Code Alloted to the Client : .....

**2. INTRODUCTION DETAILS**

Name of the Introducer: ..... Employee Code: .....

Address: ..... \*Mobile : .....

Introduced by :

Remisier

Authorized Person

Staff

Others (Please specify)

Signature



**3. SERVICE NUMBER**

Phone No.....

\*The number to which the Account Holder opt to contact for placing orders

**4. SUBMISSION CHECKLIST (To be filled by the Staff)**

1. Complete Documentation Received

 Yes

 No

If No, give details .....

2. Verified with Original stamp affixed on proofs

 Yes

 No

	Documents Verified with Original	Client Interviewed by	In- Person Verification done by
Name of the Employee			
Employee Code/ AP Reg No.			
Designation of the Employee			
Date			
Signature			

I/We undertake that we have made the Client aware of "Policy and Procedures", tariff sheet and all the 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 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 the website, if any, for the information of the Clients.

Signature of the Authorised Signatory

Date .....

Seal/Stamp of the Stock Broker

**5. KRA REGISTRATION DETAILS**

If Client is already registered with KRA Please fill in the below details:

CVL  NDML  DOTEX  CAMS  KARVY  Others (please specify)

(Please provide photocopy of KRA Registration letter)

KRA Registration No: .....

Date of Registration :

D	D	M	M	Y	Y	Y	Y
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## List of Two- digit state / U.T code as per Indian Motor Vehicle Act, 1988

State/ U.T	Code
Andaman & Nicobar	AN
Andhra Pradesh	AP
Arunachal Pradesh	AR
Assam	AS
Bihar	BR
Chandigarh	CH
Chattisgarh	CG
Dadra and Nagar Haveli	DN
Daman & Diu	DD
Delhi	DL
Goa	GA
Gujarat	GJ
Haryana	HR

State/ U.T	Code
Himachal Pradesh	HP
Jammu & Kashmir	JK
Jharkhand	JH
Karnataka	KA
Kerala	KL
Lakshadweep	LD
Madhya Pradesh	MP
Maharashtra	MH
Manipur	MN
Meghalaya	ML
Misoram	MZ
Nagaland	NL
Orissa	OR

State/ U.T	Code
Pondichery	PY
Punjab	PB
Rajasthan	RJ
Sikkim	SK
Tamil Nadu	TN
Telangana	TS
Tripura	TR
Uttar Pradesh	UP
West Bengal	WB
Others	XX

## List of ISO 3166 Two - Digit Country Code

Country	Country Code
Afghanistan	AF
Aland Islan	AX
Albania	AL
Algeria	DZ
American Samoa	AS
Andorra	AD
Angola	AO
Anguilla	AI
Antartica	AQ
Antigua an Barbuda	AG
Argentina	AR
Armenia	AM
Aruba	AW
Australia	AU
Austria	AT
Azerbaijan	AZ
Bahamas	BS
Baharin	BH
Bangladesh	BD
Barbados	BB
Belarus	BY
Belgium	BE
Belize	BZ
Benin	BJ
Bermuda	BM
Bhutan	BT
Bolivia, PluriNational State of	BO
Bonarire,Sint Eustatius and Saba	BQ
Bosnia and Herzegovina	BA
Botswaan	BW
Bouvet Island	BV
Brazil	BR
British Indian Ocen Territory	IO
Brunei Darussalam	BN
Bulgaria	BG
Burkina Faso	BF
Burundi	BI
Cabo Verde	CV
Cambodia	KH
Cameroon	CM
Canada	CA
Cayman Islands	KY
Central African Repulic	CF
Chad	TD
China	CN
Chile	CL
Christmas Island	CX
Cocos (Keeling) Islands	CC
Colombia	CO
Comoros	KM
Congo	CG
Congo,The Democratic Republic of the	CD
Cook Islands	CK
Costa Rica	CR
Cote d'Ivoire icote d'Ivoire	CI
Croatia	HR
Cuba	CU
Curacao iCyracao	CW
Cyprus	CY
Czech Republic	CZ
Djibouti	DJ
Dominica	DM

Country	Country Code
Sominican Republic	DD
Ecuador	EC
Egypt	EG
El Salvador	SV
Equatorial Guineea	GQ
Eritreaq	ER
Estonia	EE
Ethiopia	ET
Falkland Islands (Malvinas)	FK
Faroe Islands	FO
Fiji	FJ
Finland	FI
France	FR
French Guiana	GF
French Polynesia	PF
Gabon	GA
Gambia	GM
Georgia	Ge
Germany	DE
Ghana	GH
Gibraltar	GI
Greece	GR
Greeland	GL
Grenda	GD
Guadeloupe	GP
Guam	GU
Guatemala	GT
Guernsey	GG
Guinea	GN
Guinea-Bissau	GW
Guyana	GY
Haiti	HT
Heard Island and McDonald Islands	HM
Holy See (Vatican City State)	VA
Honduras	HN
Hong Kong	HK
Hungary	HU
Iceland	IS
India	IN
Indonesia	ID
Iran, Islamic Republic of	IR
Iraq	IQ
Ireland	IE
Isle of Man	IM
Israel	IL
Italy	IT
Jamaica	JM
Japan	JP
Jersery	JE
Jodan	JO
Kazakhstan	KZ
Kenya	KE
Kiribati	KI
Korea, Democratic people's Republic of	KP
Korea, Republic of	KR
Kuwait	KW
Kyrgyzstan	KG
Lao People's Democratic Republic	LA
Latvia	LV
Lebanon	LB
Lesotho	LS
Liberia	LR

Country	Country Code
Lybia	LY
Liechtenstein	LI
Lithuania	LT
Luxembourg	LU
Macao	MO
Macedonia, the former Yougoslav Republic of	MK
Madagascar	MG
Malawi	MW
Malaysia	MY
Maldives	MV
Mali	ML
Malta	MT
Marshall Islands	MH
Martinique	MQ
Mauritania	MR
Mauritius	MU
Mayatte	YT
Mexico	MX
Micronesia, Federated State of	FM
Moldova, Republic of	MD
Monaco	MC
Mongolia	MN
Montenegro	ME
Montserrat	MS
Morocco	MA
Mozambique	MZ
Myanmar	MM
Nambia	NA
Nauru	NR
Nepal	NP
Netherlands	NL
New Caledonia	NC
New Zealand	NC
Nicaragua	NI
Niger	NE
Nigeria	NG
Niue	NU
Norfolk Island	NF
Northern Marlana Islands	MP
Norway	NO
Oman	OM
Pakistan	PK
Palau	PW
Palestine, State of	PS
Panama	PA
Papua New Guinea	PG
Parguary	PY
Peru	PE
Philippines	PH
Pitcairn	PN
Poland	PL
Portugal	PT
Puerto Rico	PR
Qatar	QA
Reunion iReunion	RE
Romania	RO
Russian Federation	RU
Rwanda	RW
Saint Barthelemy iSaint Barthlemy	BL
Saint Helena, Ascension and Tristan da Cunha	SH
Saint Lucia	LC
Saint Martin (French part)	MF

Country	Country Code
Saint Pierre Miquelon	PM
Saint Vincent and the Grendines	VC
Samoa	WS
San Marino	SM
Sao Tome and Principe	ST
Saudi Arabi	SA
Senegal	SN
Sebia	RS
Seychelles	SC
Sierra leone	SL
Singapore	SG
Sint Maarten (Dutch part)	SX
Slovakia	SK
Slovenia	SI
Solomon Islands	SB
Somalia	SO
South Africa	ZA
South Georgia and the South Sandwich Islands	GS
South Sudan	SS
Spain	ES
Sri Lanka	LK
Sudan	SD
SuriName	SR
Svalbard and Jan Mayen	SJ
Swaziland	SZ
Sweden	SE
Switzerland	CH
Syrian Arab Republic	SY
Taiwan, Province of China	TW
Tajikistan	TJ
Tanzania, United Republic of	TZ
Thailand	TH
Timor-Leste	TL
Togo	TG
Tokelau	TK
Tonga	TO
Trinidad abd Tobago	TT
Tunisia	TN
Turkey	TR
Turkmenistan	TM
Turks and Caicos Islands	TC
Tuvalu	TV
Uganda	UG
Ukraine	UA
United Arab Emirates	AE
United Kingdom	GB
United States	US
United States Minor Outlying Islands	UM
UruGuardiany	UY
Uzbekistan	UZ
Vanuatu	VU
Venezuela, Bolivarian Republic of	VE
Viet Nam	VN
Virgin Islands, U.S.	VI
Wallis and Futuna	WF
Western Sahara	EH
Yemen	YE
Zambia	ZM
Zimbabwe	ZW

**PART I KNOW YOUR CLIENT (KYC) APPLICATION FORM - 1<sup>st</sup> / SOLE HOLDER**

**Important Instructions:**

- A) Fields Marked with (\*) are mandatory fields
- B) Please fill the form in English and in BLOCK letters.
- C) Please fill the date in DD-MM-YYYY format
- D) Please read section wise detailed guidelines / Instructions at the end.
- E) List of State/U.T code as per Indian Motor Vehicle Act, 1988 (Refer Page No. 6).
- F) List of two character ISO 3166 country codes is available at the end.
- G) KYC number of application is mandatory for update applicatuion.
- H) For particular section update, please tick ( ) in the box available before the section number and strike off the sections not required to be updated.



**For Office use only**  
(To be filled by financial institution)

Application Type\*  New  Update

KYC Number  (Mandatory for KYC update request)

Account Type\*  Normal  Simplified (for low risk customers)  Small

**1. PERSONAL DETAILS** (Please refer instruction)

Name* (Same as ID proof)	Prefix	First Name	Middle Name	Last Name
Maiden Name (if any)				
Father / Spouse Name*				
Mother's Name*				
Date of Birth*	DD - MM - YYYY			
Gender*	<input type="checkbox"/> M-Male' <input type="checkbox"/> F-Female <input type="checkbox"/> T-Transgender			
Marital Status*	<input type="checkbox"/> Married <input type="checkbox"/> Unmarried <input type="checkbox"/> Others			
Citizenship*	<input type="checkbox"/> IN- Indian <input type="checkbox"/> Others (ISO 3166 Country Code <input type="checkbox"/> <input type="checkbox"/> )			
Residential Status*	<input type="checkbox"/> Resident Individual <input type="checkbox"/> Non Resident Individual			
Occupation Type	<input type="checkbox"/> S-Service ( <input type="checkbox"/> Private Sector <input type="checkbox"/> Public Sector <input type="checkbox"/> Government Sector <input type="checkbox"/> O-Others ( <input type="checkbox"/> Professional <input type="checkbox"/> Self Employed <input type="checkbox"/> Retired <input type="checkbox"/> Housewife <input type="checkbox"/> Student <input type="checkbox"/> B-Business <input type="checkbox"/> B-Business <input type="checkbox"/> X-Not Categorised <input type="checkbox"/> X-Not Categorised			

PHOTO

**2. TICK IF APPLICABLE, RESIDENCE FOR TAX PURPOSES IN JURISDICTION(S) OUT SIDE INDIA** (Please refer instruction)

Additional Details Required\* (Mandatory only if section 2 is ticked)

ISO 3166 Country Code of Jurisdiction of Residence\*

Tax Identification Number or equivalent (if issued by jurisdiction)

Place / City of Birth\*  ISO 3166 Country Code of Birth\*

**3. PROOF OF IDENTIFY (PoI)** (Please refer instruction)

(Certified copy of any one of the following proof identify (PoI) needs to be submitted)

A- Passport Number  Passport Expiry Date:

B- Voter ID card

C- Pan Card  Driving Licence Expiry Date:

D- Driving Licence

E-UID (Aadhar)

F-NREGA Job Card

Z-Others (any document notified by the central government)  Identification Number

S-Simplified Measures Account - Document Type code  Identification Number

**4. PROOF OF ADDRESS (PoA)\***

4.1. CURRENT / PERMANENT / OVERSEAS ADDRESS DETAILS (Please see instruction D at the end)

Certified copy of any one of the following Proof of Address (PoA) needs to be submitted)

Address Type  Residential/Business  Residential  Business  Registered Office  Unspecified

Proof Address\*  Passport  Driving Licence  UID (Aadhar)  Voter Identify Card  NREGA Job Card  Others

Simplified Measures Account - Document Type code

Address

Line 1\*

Line 2\*

Line 3\*  City / Town / Village\*

District\*  Pin / Post Code\*  State / U.T Code\*  ISO 3166 Country Code\*

**4.2. CORRESPONDENCE/LOCAL ADDRESS DETAILS\* (Please see instruction)**

Same as current / Permanent / Overseas Address details (in case of multiple correspondene / local addresses, please fill 'Annexure A1')

Line 1\*

Line 2\*

Line 3\*  City / Town / Village\*

District\*  Pin / Post Code\*  State / U.T Code\*  ISO 3166 Country Code\*

**4.3. ADDRESS IN THE JURISDICTION DETAILS WHERE APPLICANT IS RESIDENT OUTSIDE INDIA FOR TAX PURPOSES\* (Applicable if section 2 in ticked)**

Same as current / Permanent / Overseas Address details  Same as correspondence / local Address details

Line 1\*

Line 2\*

Line 3\*  City / Town / Village\*

State\*  ZIP / Post Code\*  ISO 3166 Country Code\*

**5. CONTACT DETAILS (All communications will be sent on provided Mobiles no. or Email-ID) (Please refer instruction)**

Tele. (Off)  -  Tele. (Res.)  -  Mobile

FAX  -  Email ID

**6. DETAILS OF RELATED PERSON (In case of additional realted persons, please fill "Annuxure B1' ) (Please refer instruction)**

Addition of Related Person  Deletion of Related Person KYC Number of Related Person (If available)

Related Person Type\*  Guardian of Minor  Assignee  Authorized Representative

Name Prefix First Name Middle Name last Name

**PROOF OF IDENTIFY (PoI) OF RELATED PERSON\* (Please see instruction)**

(Certified copy of any one of the following proof identify (PoI) needs to be submitted)

A- Passport Number  Passport Expiry Date:

B- Voter ID car

C- Pan Card  Driving Licence Expiry Date:

D- Driving Licence

E-UID (Aadhar)

F-NREGA Job Card

Z-Others (any document notified by the central government)  Identification Number


S-Simplified Measures Account - Document Type code  Identification Number

**7. REMARKS (If any)**

**8. APPLICANT DECLARATION**

- I hereby declare that the details furnished above are true and correct to the best of my knowledge and belief and I undertake to inform you of any changes therein, immediately. In case any of the above information is found to be false or untrue or misleading or misrepresenting, I am aware that I may be held liable for it
- I hereby consent to receiving information from Central KYC Registry through SMS/Email on the above registered number/ email address

Date:  -  -  Place:

 Signature / Thumb Impression of Applicant

**9. ATTESTATION / FOR OFFICE USE ONLY**

Document Received  Certified Copies  IPV Done  on  Time

**KYC VERIFICATION CARRIED OUT BY**

Date  -  -

Emp. Name

Emp. Code/ AP Reg No.

Emp, Designation

Emp. Branch

Employee's signature

**INSTITUTION DETAILS**

Name: CAPSTOCK & SECURITIES INDIA PVT. LTD

Code : IN0817

Institution Stamp



**KNOW YOUR CLIENT (KYC) APPLICATION FORM - FOR INDIVIDUALS -2<sup>nd</sup>/ SECOND HOLDER**

**Important Instructions:**

- A) Fields Marked with (\*) are mandatory fields
- B) Please fill the form in English and in BLOCK letters.
- C) Please fill the date in DD-MM-YYYY format
- D) Please read section wise detailed guidelines / Instructions at the end.
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(To be filled by financial institution)

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KYC Number  (Mandatory for KYC update request)

Account Type\*  Normal  Simplified (for low risk customers)  Small

**1. PERSONAL DETAILS** (Please refer instruction)

Name* (Same as ID proof)	Prefix	First Name	Middle Name	Last Name
Maiden Name (if any)				
Father / Spouse Name*				
Mother's Name*				
Date of Birth*	DD - MM - YYYY			
Gender*	<input type="checkbox"/> M-Male' <input type="checkbox"/> F-Female <input type="checkbox"/> T-Transgender			
Marital Status*	<input type="checkbox"/> Married <input type="checkbox"/> Unmarried <input type="checkbox"/> Others			
Citizenship*	<input type="checkbox"/> IN- Indian <input type="checkbox"/> Others (ISO 3166 Country Code <input type="checkbox"/> <input type="checkbox"/> )			
Residential Status*	<input type="checkbox"/> Resident Individual <input type="checkbox"/> Non Resident Individual			
Occupation Type	<input type="checkbox"/> Foreign National <input type="checkbox"/> Person of Indian Origin			
	<input type="checkbox"/> S-Service ( <input type="checkbox"/> Private Sector <input type="checkbox"/> Public Sector <input type="checkbox"/> Government Sector			
	<input type="checkbox"/> O-Others ( <input type="checkbox"/> Professional <input type="checkbox"/> Self Employed <input type="checkbox"/> Retired <input type="checkbox"/> Housewife <input type="checkbox"/> Student			
	<input type="checkbox"/> B-Business <input type="checkbox"/> B-Business			
	<input type="checkbox"/> X-Not Categorised <input type="checkbox"/> X-Not Categorised			

PHOTO

**2. TICK IF APPLICABLE, RESIDENCE FOR TAX PURPOSES IN JURISDICTION(S) OUT SIDE INDIA** (Please refer instruction)

Additional Details Required\* (Mandatory only if section 2 is ticked)

ISO 3166 Country Code of Jurisdiction of Residence\*

Tax Identification Number or equivalent (if issued by jurisdiction)

Place / City of Birth\*  ISO 3166 Country Code of Birth\*

**3. PROOF OF IDENTIFY (PoI)** (Please refer instruction)

(Certified copy of any one of the following proof identify (PoI) needs to be submitted)

A- Passport Number  Passport Expiry Date:

B- Voter ID card

C- Pan Card

D- Driving Licence  Driving Licence Expiry Date:

E-UID (Aadhar)

F-NREGA Job Card

Z-Others (any document notified by the central government)  Identification Number

S-Simplified Measures Account - Document Type code  Identification Number

**4. PROOF OF ADDRESS (PoA)\***

4.1. CURRENT / PERMANENT / OVERSEAS ADDRESS DETAILS (Please see instruction D at the end)

Certified copy of any one of the following Proof of Address (PoA) needs to be submitted)

Address Type  Residential/Business  Residential  Business  Registered Office  Unspecified

Proof Address\*  Passport  Driving Licence  UID (Aadhar)

Voter Identify Card  NREGA Job Card  Others

Simplified Measures Account  Document Type code

Address

Line 1\*

Line 2\*

Line 3\*  City / Town / Village\*

District\*  Pin / Post Code\*  State / U.T Code\*  ISO 3166 Country Code\*

**4.2. CORRESPONDENCE/LOCAL ADDRESS DETAILS\* (Please see instruction)**

Same as current / Permanent / Overseas Address details (in case of multiple correspondene / local addresses, please fill 'Annexure A1')

Line 1\*

Line 2\*

Line 3\*  City / Town / Village\*

District\*  Pin / Post Code\*  State / U.T Code\*  ISO 3166 Country Code\*

**4.3. ADDRESS IN THE JURISDICTION DETAILS WHERE APPLICANT IS RESIDENT OUTSIDE INDIA FOR TAX PURPOSES\* (Applicable if section 2 is ticked)**

Same as current / Permanent / Overseas Address details  Same as orrespondence / local Address details

Line 1\*

Line 2\*

Line 3\*  City / Town / Village\*

State\*  ZIP / Post Code\*  ISO 3166 Country Code\*

**5. CONTACT DETAILS (All communications will be sent on provided Mobiles no. or Email-ID) (Please refer instruction)**

Tele. (Off)  -  Tele. (Res.)  -  Mobile

FAX  -  Email ID

**6. DETAILS OF RELATED PERSON (In case of additional realted persons, please fill "Annuxure B1") (Please refer instruction)**

Addition of Related Person  Deletion of Related Person KYC Number of Related Person (If available)

Related Person Type\*  Guardian of Minor  Assignee  Authorized Representative

Name Prefix First Name Middle Name last Name

**PROOF OF IDENTIFY (PoI) OF RELATED PERSON\* (Please see instruction)**

(Certified copy of any one of the following proof identify (PoI) needs to be submitted)

A- Passport Number  Passport Expiry Date:

B- Voter ID car

C- Pan Card  Driving Licence Expiry Date:

D- Driving Licence

E-UID (Aadhar)

F-NREGA Job Card

Z-Others (any document notified by the central government)  Identification Number

S-Simplified Measures Account - Document Type code  Identification Number

**7. REMARKS (If any)**

**8. APPLICANT DECLARATION**

- I hereby declare that the details furnished above are true and correct to the best of my knowledge and belief and I undertake to inform you of any changes therein, immediately. In case any of the above information is found to be false or untrue or misleading or misrepresenting, I am aware that I may be held liable for it
- I hereby consent to receiving information from Central KYC Registry through SMS/Email on the above registered number/ email address

Date:  -  -  Place:



Signature / Thumb Impression of Applicant

**9. ATTESTATION / FOR OFFICE USE ONLY**

Document Received  Certified Copies IPV Done  on  Time

**KYC VERIFICATION CARRIED OUT BY**

Date  -  -

Emp. Name

Emp. Code/ AP Reg No.

Emp. Designation

Emp. Branch

**INSTITUTION DETAILS**

Name: CAPSTOCK & SECURITIES INDIA PVT. LTD

Code : IN0817

Employee's signature

Institution Stamp

**KNOW YOUR CLIENT (KYC) APPLICATION FORM - FOR INDIVIDUALS -3<sup>rd</sup>/ THIRD HOLDER**

**Important Instructions:**

- A) Fields Marked with (\*) are mandatory fields
- B) Please fill the form in English and in BLOCK letters.
- C) Please fill the date in DD-MM-YYYY format
- D) Please read section wise detailed guidelines / Instructions at the end.
- E) List of State / U.T code as per Indian Motor Vehicle Act, 1988 (Refer Page No. 6).
- F) List of two character ISO 3166 country codes is available at the end.
- G) KYC number of application is mandatory for update applicatuion.
- H) For particular section update, please tick ( ) in the box available before the section number and strike off the sections not required to be updated.



**For Office use only**

(To be filled by financial institution)

Application Type\*  New  Update

KYC Number  (Mandatory for KYC update request)

Account Type\*  Normal  Simplified (for low risk customers)  Small

**1. PERSONAL DETAILS (Please refer instruction)**

Name* (Same as ID proof)	Prefix	First Name	Middle Name	last Name
Maiden Name (if any)				
Father / Spouse Name*				
Mother's Name*				
Date of Birth*	DD - MM - YYYY			
Gender*	<input type="checkbox"/> M-Male' <input type="checkbox"/> F-Female <input type="checkbox"/> T-Transgender			
Marital Status*	<input type="checkbox"/> Married <input type="checkbox"/> Unmarried <input type="checkbox"/> Others			
Citizenship*	<input type="checkbox"/> IN- Indian <input type="checkbox"/> Others (ISO 3166 Country Code <input type="checkbox"/> <input type="checkbox"/> )			
Residential Status*	<input type="checkbox"/> Resident Individual <input type="checkbox"/> Non Resident Individual			
Occupation Type	<input type="checkbox"/> S-Service ( <input type="checkbox"/> Private Sector <input type="checkbox"/> Public Sector <input type="checkbox"/> Government Sector <input type="checkbox"/> O-Others ( <input type="checkbox"/> Professional <input type="checkbox"/> Self Employed <input type="checkbox"/> Retired <input type="checkbox"/> Housewife <input type="checkbox"/> Student <input type="checkbox"/> B-Business <input type="checkbox"/> B-Business <input type="checkbox"/> X-Not Categorised <input type="checkbox"/> X-Not Categorised			

PHOTO

**2. TICK IF APPLICABLE, RESIDENCE FOR TAX PURPOSES IN JURISDICTION(S) OUT SIDE INDIA (Please refer instruction)**

Additional Details Required\* (Mandatory only if section 2 is ticked)

ISO 3166 Country Code of Jurisdiction of Residence\*

Tax Identification Number or equivalent (if issued by jurisdiction)

Place / City of Birth\*  ISO 3166 Country Code of Birth\*

**3. PROOF OF IDENTIFY (PoI) (Please refer instruction)**

(Certified copy of any one of the following proof identify (PoI) needs to be submitted)

A- Passport Number  Passport Expiry Date:

B- Voter ID card

C- Pan Card  Driving Licence Expiry Date:

D- Driving Licence

E-UID (Aadhar)

F-NREGA Job Card

Z-Others (any document notified by the central government)  Identification Number

S-Simplified Measres Account - Document Type code  Identification Number

**4. PROOF OF ADDRESS (PoA)\***

4.1. CURRENT / PERMANENT / OVERSEAS ADDRESS DETAILS (Please see instruction D at the end)

Certified copy of any one of the following Proof of Address (PoA) needs to be submitted)

Address Type  Residential/Business  Residential  Business  Registered Office  Unspecified

Proof Address\*  Passport  Driving Licence  UID (Aadhar)  Voter Identify Card  NREGA Job Card  Others

Simplified Measures Account  Document Type code

Address

Line 1\*

Line 2\*

Line 3\*  City / Town / Village\*

District\*  Pin / Post Code\*  State / U.T Code\*  ISO 3166 Country Code\*

**4.2. CORRESPONDENCE/LOCAL ADDRESS DETAILS\* (Please see instruction)**

Same as current / Permanent / Overseas Address details (in case of multiple correspondene / local addresses, please fill 'Annexure A1')

Line 1\*

Line 2\*

Line 3\*  City / Town / Village\*

District\*  Pin / Post Code\*  State / U.T Code\*  ISO 3166 Country Code\*

**4.3. ADDRESS IN THE JURISDICTION DETAILS WHERE APPLICANT IS RESIDENT OUTSIDE INDIA FOR TAX PURPOSES\* (Applicable if section 2 is ticked)**

Same as current / Permanent / Overseas Address details  Same as orrespondence / local Address details

Line 1\*

Line 2\*

Line 3\*  City / Town / Village\*

State\*  ZIP / Post Code\*  ISO 3166 Country Code\*

**5. CONTACT DETAILS (All communications will be sent on provided Mobiles no. or Email-ID) (Please refer instruction)**

Tele. (Off)  -  Tele. (Res.)  -  Mobile

FAX  -  Email ID

**6. DETAILS OF RELATED PERSON (In case of additional realted persons, please fill "Annuxure B1' ) (Please refer instrution)**

Addition of Related Person  Deletion of Related Person KYC Number of Related Person (If available)

Related Person Type\*  Guardian of Minor  Assignee  Authorized Representative

Name Prefix First Name Middle Name last Name

**PROOF OF IDENTIFY (PoI) OF RELATED PERSON\* (Please see instruction)**

(Certified copy of any one of the following proof identify (PoI) needs to be submitted)

A- Passport Number  Passport Expiry Date:

B- Voter ID car

C- Pan Card  Driving Licence Expiry Date:

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**7. REMARKS (If any)**

**8. APPLICANT DECLARATION**

- I hereby declare that the details furnished above are true and correct to the best of my knowledge and belief and I undertake to inform you of any changes therein, immediately. In case any of the above information is found to be false or untrue or misleading or misrepresenting, I am aware that I may be held liable for it
- I hereby consent to receiving information from Central KYC Registry through SMS/Email on the above registered number/ email address

Date:  -  -  Place:



Signature / Thumb Impression of Applicant

**9. ATTESTATION / FOR OFFICE USE ONLY**

Document Received  Certified Copies IPV Done  on  Time

**KYC VERIFICATION CARRIED OUT BY**

Date

Emp. Name

Emp. Code/ AP Reg No.

Emp. Designation

Emp. Branch

**INSTITUTION DETAILS**

Name: CAPSTOCK & SECURITIES INDIA PVT. LTD  
Code : IN0817

Employee's signature

Institution Stamp

**KNOW YOUR CLIENT (KYC) APPLICATION FORM - GUARDIAN** (In case Sole Holder of Demat Account is Minor)

**Important Instructions:**

- A) Fields Marked with (\*) are mandatory fields
- B) Please fill the form in English and in BLOCK letters.
- C) Please fill the date in DD-MM-YYYY format
- D) Please read section wise detailed guidelines / Instructions at the end.
- E) List of State/U.T code as per Indian Motor Vehicle Act, 1988 (Refer Page No. 6).
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- G) KYC number of application is mandatory for update applicatuion.
- H) For particular section update, please tick ( ) in the box available before the section number and strike off the sections not required to be updated.



**For Office use only**  
(To be filled by financial institution)

Application Type\*  New  Update

KYC Number  (Mandatory for KYC update request)

Account Type\*  Normal  Simplified (for low risk customers)  Small

**1. PERSONAL DETAILS** (Please refer instruction)

<input type="checkbox"/> Name* (Same as ID proof)	Prefix	First Name	Middle Name	Last Name
Maiden Name (if any)				
Father / Spouse Name*				
Mother's Name*				
Date of Birth*	DD - MM - YYYY			
Gender*	<input type="checkbox"/> M-Male' <input type="checkbox"/> F-Female <input type="checkbox"/> T-Transgender			
Marital Status*	<input type="checkbox"/> Married <input type="checkbox"/> Unmarried <input type="checkbox"/> Others			
Citizenship*	<input type="checkbox"/> IN- Indian <input type="checkbox"/> Others (ISO 3166 Country Code <input type="checkbox"/> <input type="checkbox"/> )			
Residential Status*	<input type="checkbox"/> Resident Individual <input type="checkbox"/> Non Resident Individual			
Occupation Type	<input type="checkbox"/> Foreign National <input type="checkbox"/> Person of Indian Origin			
	<input type="checkbox"/> S-Service ( <input type="checkbox"/> Private Sector <input type="checkbox"/> Public Sector <input type="checkbox"/> Government Sector			
	<input type="checkbox"/> O-Others ( <input type="checkbox"/> Professional <input type="checkbox"/> Self Employed <input type="checkbox"/> Retired <input type="checkbox"/> Housewife <input type="checkbox"/> Student			
	<input type="checkbox"/> B-Business <input type="checkbox"/> B-Business			
	<input type="checkbox"/> X-Not Categorised <input type="checkbox"/> X-Not Categorised			

PHOTO

**2. TICK IF APPLICABLE, RESIDENCE FOR TAX PURPOSES IN JURISDICTION(S) OUT SIDE INDIA** (Please refer instruction)

Additional Details Required\* (Mandatory only if section 2 is ticked)

ISO 3166 Country Code of Jurisdiction of Residence\*

Tax Identification Number or equivalent (if issued by jurisdiction)

Place / City of Birth\*  ISO 3166 Country Code of Birth\*

**3. PROOF OF IDENTIFY (PoI)** (Please refer instruction)

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D- Driving Licence

E-UID (Aadhar)

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**4. PROOF OF ADDRESS (PoA)\***

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Certified copy of any one of the following Proof of Address (PoA) needs to be submitted)

Address Type  Residential/Business  Residential  Business  Registered Office  Unspecified

Proof Address\*  Passport  Driving Licence  UID (Aadhar)

Voter Identify Card  NREGA Job Card  Others

Simplified Measures Account  Document Type code

Address

Line 1\*

Line 2\*

Line 3\*  City / Town / Village\*

District\*  Pin / Post Code\*  State / U.T Code\*  ISO 3166 Country Code\*

**4.2. CORRESPONDENCE/LOCAL ADDRESS DETAILS\* (Please see instruction)**

Same as current / Permanent / Overseas Address details (in case of multiple correspondene / local addresses, please fill 'Annexure A1')

Line 1\*

Line 2\*

Line 3\*

District\*  Pin / Post Code\*  State / U.T Code\*  City / Town / Village\*  ISO 3166 Country Code\*

**4.3. ADDRESS IN THE JURISDICTION DETAILS WHERE APPLICANT IS RESIDENT OUTSIDE INDIA FOR TAX PURPOSES\* (Applicable if section 2 is ticked)**

Same as current / Permanent / Overseas Address details  Same as orrespondence / local Address details

Line 1\*

Line 2\*

Line 3\*

State\*  ZIP / Post Code\*  City / Town / Village\*  ISO 3166 Country Code\*

**CONTACT DETAILS (All communications will be sent on provided Mobiles no. or Email-ID) (Please refer instruction)**

Tele. (Off)  -  Tele. (Res.)  -  Mobile

FAX  -  Email ID

**6. DETAILS OF RELATED PERSON (In case of additional realted persons, please fill "Annuxure B1' ) (Please refer instrution)**

Addition of Related Person  Deletion of Related Person KYC Number of Related Person (If available)

Related Person Type\*  Guardian of Minor  Assignee  Authorized Representative

Name Prefix First Name Middle Name last Name

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**7. REMARKS (If any)**

**8. APPLICANT DECLARATION**

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- I hereby consent to receiving information from Central KYC Registry through SMS/Email on the above registered number/ email address

Date:  -  -  Place:



Signature / Thumb Impression of Applicant

**9. ATTESTATION / FOR OFFICE USE ONLY**

Document Received  Certified Copies IPV Done  on  Time

**KYC VERIFICATION CARRIED OUT BY**

Date

Emp. Name

Emp. Code/ AP Reg No.

Emp, Designation

Emp. Branch

**INSTITUTION DETAILS**















Name: CAPSTOCK & SECURITIES INDIA PVT. LTD  
Code : IN0817

Institution Stamp

Employee's signature

**PART II A ADDITIONAL INFORMATION FOR TRADING ACCOUNT**

**TRADING PREFERENCE**

Exchange	Segment	
	Cash	F&O
NSE	 3(i)	 3(ii)
BSE	 3(iii)	 3(iv)
	Currency Derivatives	Mutual Funds
NSE	 3(v)	 3(vi)
BSE	 3(vii)	 3(viii)
	Commodity Futures	Commodity Options
NSE	 3(ix)	 3(x)
BSE	 3(xi)	 3(xii)
MCX	 3(xiii)	 3(xiv)
Date of Consent of Trading:		

In future, if you want to trade on any New Segment/New Exchange, separate authorisation / letter should be submitted to Capstocks

**PROOF OF FINANCIAL DETAILS (MADATORY IN CASE OF DERIVATIVES / CURRENCY / COMMODITY)**

- Copy of ITR Acknowledgement   
  Copy of Annual Accounts   
  Copy of Form 16   
  Networth Certificate  
 Salary Slip   
  Bank Account Statement for last 6 months   
  Copy of Demat Account holding statement

**PAST ACTION**

Details of any action/ proceedings initiated / pending / taken by SEB/Stock Exchange (s) 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:

Particulars	Name of Authority	Month & Year of Action

**DEPOSITORY DETAILS**

- CDSL DP Name: ..... DP ID: .....  
 NSDL BO Name: ..... BO ID: .....

a) If Client is dealing through the Authorised Person, Provide the following details:

AP Name: ..... Registration number: .....  
 Registered office address: ..... Ph: ..... Website: .....

b) Whether dealing with any other Stock Broker. (in case dealing with multiple Stock Brokers provide details)

Client Code: ..... Exchange: .....  
 Details of disputes/dues pending from/to such Stock Broker /Authorised Person: .....

**DECLARATION FOR OPTING FOR RSDA/ BSDA**

Please (✓) Which ever li applicable

I/We do wish to opt for  Regular Demat Account (RSDA)  Basic Service Demat Account (BSDA)

BO ID 

1	2	0	2	9	8	0	0								
---	---	---	---	---	---	---	---	--	--	--	--	--	--	--	--

<sup>4</sup> First/Sole holder

<sup>3</sup> Second Sole holder

<sup>3</sup> Third Sole holder

**OTHERS DETAILS**

Annual Income (₹ In lakhs)  Below 1  1-2  2-5  5-10  10-25  Above 25

Net-worth as on (date) ..... (.....) (Net worth should not be older than 1 year)

Please (✓), if applicable:  Policy Exposed person (PEP)  Related to a Politically Exposed person (RPEP)

Education Qualification:  Under Graduate  Graduate  Post Graduate  Professional  Others

GSTIN : .....

Any other information .....

**ADDITIONAL DETAILS**

a) Whether you wish to receive Physical Contract Note or Electronic Contract Note (ECN) Please (✓) you choice

Physical  ECN  Email ID: .....

b) Whether you wish to avail the facility of Internet Trading /Wireless Technology  Yes  No

c) Number of years of Investment / Trading Experience: .....

d) Any Other information: .....

**B. COMMON DETAILS FOR BOTH TRADING AND DEMAT ACCOUNT**

**BANK ACCOUNT DETAILS\***

Do you wish to receive dividend / interest directly into your bank account, through ECS ?  Yes  No

Name of Bank: ..... Branch: .....

Address: ..... MICR Code: 

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

Account No: ..... IFSC Code: 

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

Account Type:  SB  CA  NRO  NRE  Others .....

*\*(i) Photocopy of cancelled cheque having the Name of the Account Holder (Or) (ii) Photocopy of the Bank statement having Name and address of the BO and not more than 2 months old, [MICR of the Branch should be present and should be self attested by one BO] (Or) (iii) Photocopy of the pass Book having Name and address of the BO [MICR of the Branch should be present and should be self attested by one BO] (Or) (iv) Letter from the bank. [MICR of the Branch should be present and should be self attested by the BO]*



### NRI DATA SHEET (For NRI's only)

First Name	Middle Name	Last Name	Nationality
Gender	Father Name	Spouse Name	mothers' Name
Date Of Birth	Place Of Birth	PAN	Aadhaar Number
passport No	Date of Issue	Place of Issue	Validity
Telephone Number(Primary)	Mobile Number(Primary)	Telephone Number(Other)	Mobile Number(Other)
Occupation	Country Of Residence	Tin Value	Tin Issue Country

### DECLARATION FOR NRI'S

Please (✓) if you are a :             NRO                                       NRE

RBI Ref No. : .....                                      RBI approval Date: .....

Foreign Address: Flat/Door/Block No.: .....                                      Post Box No.: .....

Name of Premises / Building: .....                                      Road/ Street/ Lane .....

Area/ Locality: .....                                      City/Town .....                                      Country .....

I/We have complied with and will continue to comply with, RBI.FEMA regulations and other applicable laws. Further I/We state that by virtue of this declaration I/We qualify to be eligible to attain the status of an NRI. I/We also confirm that I/We fulfill the eligibility criteria prescribed by RBI/FEMA for opening an NRI account. I/We declare that whenever there is any change in my/our residential address, the same shall be informed to you in time.

I/We solemnly affirm that the above stated details are true, correct and complete to the best of my knowledge and belief.

 <sup>1 (i)</sup>  
First/Sole holder

 <sup>1 (ii)</sup>  
Second Sole holder

 <sup>1 (ii)</sup>  
Third Sole holder

## ADDITIONAL KYC FORM FOR OPENING A DEMAT ACCOUNT

(Please fill this form in English and in Block Letters)




### ACCOUNT DETAILS (For Office Use only)

Client Code	<input type="text"/>	DP ID	<input type="text" value="1"/> <input type="text" value="2"/> <input type="text" value="0"/> <input type="text" value="2"/> <input type="text" value="9"/> <input type="text" value="8"/> <input type="text" value="0"/> <input type="text" value="0"/>	BO ID	<input type="text"/>
Branch Name	<input type="text"/>	Branch Code	<input type="text"/>		

### ACCOUNT DETAILS (For Office Use only)

Status	Sub - Status		
<input type="checkbox"/> Individual	<input type="checkbox"/> Individual Resident	<input type="checkbox"/> Individual - Director	<input type="checkbox"/> Minor
	<input type="checkbox"/> Individual Director's Relative	<input type="checkbox"/> Individual HUF /AOP	<input type="checkbox"/> PMS
	<input type="checkbox"/> Individual Margin Trading A/C (MANTRA)	<input type="checkbox"/> Individual Promoter	<input type="checkbox"/> Others
<input type="checkbox"/> NRI	<input type="checkbox"/> NRI Repatriable	<input type="checkbox"/> NRI Non-Repatriable	<input type="checkbox"/> NRI Repatriable Promoter
	<input type="checkbox"/> NRI Non Repatriable Promoter	<input type="checkbox"/> NRI- Depository Receipt	<input type="checkbox"/> PMS
			<input type="checkbox"/> Others
<input type="checkbox"/> Foreign National	<input type="checkbox"/> Foreign National	<input type="checkbox"/> Foreign National Depository Receipts	<input type="checkbox"/> Others

### DETAILS OF ACCOUNT HOLDER

	Sole First Holder	Second Holder	Third Holder
Client Name	<input type="text"/>	<input type="text"/>	<input type="text"/>
PAN	<input type="text"/>	<input type="text"/>	<input type="text"/>
UID/AADHAAR	<input type="text"/>	<input type="text"/>	<input type="text"/>
SIGNATURE			

### DETAILS OF GUARDIAN (If Sole / First holder is a Minor)

Name: ..... PAN .....

Relationship with Applicant: .....

Address: .....

Email Id: ..... Mobile No: .....

### STANDING INSTRUCTIONS (FOR DEMAT ACCOUNT)

- a. I/We authorise you to receive credits automatically into my/our account  Yes  No
- b. Account to be operated through Power of Attorney (POA)  Yes  No
- c. Account Statement Requirement  Daily  Weekly  Quarterly  Monthly (Default option is Monthly)
- d. Do you wish to receive dividend / interest directly to your bank account given herein through ECS ?  Yes  No
- e. I/We would like to instruct the DP to accept all the pledge instructions in my/our account without any other further instruction from my/our end.  Yes  No
- f. I/we request you to sent Electronic Transaction-Cum-Holding Statement at the following Email .....  Yes  No
- g. I/We would like to share the email ID with teh RTA  Yes  No
- h. I/We would like to receive the Annual Report/ Account Statement  Physical  Electronic  Physical & Electronic

### ADDITIONAL DETAILS (FOR DEMAT ACCOUNT)




SMS Alert Facility	Mobile No. +91 .....For details refer to www.cdslindia.com	<input type="checkbox"/> Yes <input type="checkbox"/> No
easi	If yes, please contact your DP for details, (Facility through CDSL Website www.cdslindia.com Wherein a BO can view his ISIN balance, transactions and value of the portfolio online.	<input type="checkbox"/> Yes <input type="checkbox"/> No
Transaction using Secured Texting Facility (TRUST)	I wish to to avail the TRUST facility using the Mobile number registered for SMS Alert Facility. I have read and understood the terms and Conditions prescribed by CDSL for the same.	
	I/We wish to register the following Clearing member IDs under my / our below mentioned BO ID registered for TRUST	
	<input type="checkbox"/> Yes <input type="checkbox"/> No	
	Stock Exchange Name /ID	Clearing Member Name
		Clearing Member ID (Optional)

## Nomination Form Trading and Demat Accounts

(To be filled in by individual applying singly or jointly)

### Annexure A

<input type="checkbox"/> <b>Name</b>																													
<input type="checkbox"/> <b>Address</b>																													
<b>Date</b>		D	D	M	M	Y	Y	Y	Y	<b>DP ID</b>				1	2	0	2	9	8	0	0	<b>Client ID</b>							
Trading Code																													
I/We wish to make a nomination. [As per details given below]																													
<b>Nomination Details</b>																													
I/We wish to make a nomination and do hereby nominate the following person(s) who shall receive all the assets held in my/our account in the event of my/our death.																													
<b>Nomination can be made upto threeminees in the account.</b>												<b>Details of 1<sup>st</sup> Nominee</b>						<b>Details of 2<sup>nd</sup> Nominee</b>						<b>Details of 3<sup>rd</sup> Nominee</b>					
<b>1</b>	<b>Name of the nominee(s)(Mr./Ms.)</b>																												
<b>2</b>	<b>Share of each Nominee</b>		<b>Equally</b> [If not equally, please specify percentage]									%						%						%					
<i>Any odd lot after division shall be transferred to the first nominee mentioned in the form.</i>																													
<b>3</b>	<b>Relationship With the Applicant (If Any)</b>																												
<b>4</b>	<b>Address of Nominee(s)</b>																												
<b>4</b>	City/Place: State&Country:																												
<b>4</b>	PIN Code																												
<b>5</b>	<b>Mobile/Telephone No. of nominee(s)</b>																												
<b>6</b>	<b>Email ID of nominee(s)</b>																												
<b>7</b>	<b>Nominee Identification details</b> —Please tick any one of following and provide details of same]																												
<b>7</b>	<input type="checkbox"/> Photograph & Signature <input type="checkbox"/> PAN <input type="checkbox"/> Aadhaar <input type="checkbox"/> SavingBank account no. <input type="checkbox"/> Proof of Identity <input type="checkbox"/> Demat Account ID																												
Sr. Nos. 8-14 should be filled only if nominee(s)is a minor:																													
<b>8</b>	<b>Date of Birth {incase of minor nominee(s)}</b>																												
<b>9</b>	<b>Name of Guardian (Mr./Ms.)-{incase of minor nominee(s)}</b>																												

10	<b>Address of Guardian(s)</b>						
	City / Place: State & Country:	PIN Code					
11	<b>Mobile/Telephone no. of Guardian</b>						
12	<b>Email ID of Guardian</b>						
13	<b>Relationship of Guardian with nominee</b>						
14	<b>Guardian Identification details</b> – [Please tick any one of following and provide details of same]						
	<input type="checkbox"/> Photograph & Signature <input type="checkbox"/> PAN <input type="checkbox"/> Aadhaar Saving Bank account no. <input type="checkbox"/> Proof of Identity <input type="checkbox"/> Demat Account ID						
<b>Name(s) of holder(s)</b>						<b>Signature(s) of holder*</b>	
Sole/First Holder (Mr./Ms.)						 6	
Second Holder (Mr./Ms.)						 5	
Third Holder (Mr./Ms.)						 5	

\*Signature of witness, along with name and address are required, if the account holder affixes thumb impression, instead of signature




**Note:**

This nomination shall supersede any prior nomination made by the account holder(s), if any.

The Trading Member/Depository Participant shall provide acknowledgement of the nomination form to the account holder(s)

**Declaration Form for opting out of nomination Trading and Demat Account**

**Annexure B**

To <b>Capstocks &amp; Securities India Pvt Ltd</b> Capstocks Towers, Thakaraparambu Road Fort Po Trivandrum 695023	Date	D	D	M	M	Y	Y	Y	Y
Trading Code									
DP ID	1	2	0	2	9	8	0	0	
Client ID (only for Demat account)									
Sole/First Holder Name									
Second Holder Name									
Third Holder Name									
I/We hereby confirm that I/We do not wish to appoint any nominee(s) in my/our trading/demat account and understand the issues involved in non-appointment of nominee(s) and further are aware that in case of death of all the account holder(s), my/our legal heirs would need to submit all the requisite documents/information for claiming of assets held in my/our trading/demat account, which may also include documents issued by Court or other such competent authority, based on the value of assets held in the trading/demat account.									
<b>Name and Signature of Holder(s)*</b>									
1. First Holder Name :	Signature								
2. Second Holder Name :	Signature								
3. Third Holder Name:	Signature								

\*Signature of witness, along with name and address are required, if the account holder affixes thumb impression, instead of signature

<b>OFFICE USE ONLY</b>
Nomination Form accepted and registered wide Registration No. .... Dated .....
For Depository Participant (Authorised Signatory)

===== (Please Tear here) =====

<b>Received nomination form</b>																			
DP ID	1	2	0	2	9	8	0	0	Client ID										
Name																			
Address																			
Nomination in favor of First Nominee																			
Second Nominee																			
Third Nominee																			
No Nominee	<input type="checkbox"/> Does not wish to nominate																		
Registration No									Registered on	D	D	M	M	Y	Y	Y	Y		
<b>Depository Participant Seal and Signature</b>																			

## DISCLOSURE OF PROPRIETARY TRADING BY BROKER TO CLIENT

We refer to circular no. SEBI / MRD /SE / Cir.42 / 2003 dated 19/11/2003 issued by Securities and Exchange Board of India, in connection with the above and in terms of the said circular we disclose that we have undertaken proprietary Trading, in our account in addition to Client based business.

## ADDITIONAL INFORMATION

1. Minor : Trading A/c cannot be opened in Name of Minor; Demat A/c - Joint A/cs not permitted with minor; PAN and Proof of Address of both Minor and Guardian to be submitted.
2. Currency Derivative Segment : NRI cannot deal in Currency Derivative Segment.
3. Trading A/c cannot be opened in joint Names.
4. All Corrections on the forms should be countersigned with full signature. White ink is not allowed either in form or authorization.

===== (Please Tear here) =====

## BROKERAGE AND OTHER CHARGES

CAPITAL MARKET	INTRADAY	DELIVERY
Brokerage	0.05%	0.5%
	0.04% (Online)	0.4% (online)
STT	0.025% (on Average Trading volume)	0.01%*
Stamp Duty	0.002%	0.01%*
Demat Delivery Charge		₹ 15 per Scrip (on Sales only)
SEBI Charges	0.00015%	0.00015%
Exchange Charges	0.00325%	0.00325%**
NSE DERIVATIVES	FUTURES	OPTIONS
Brokerage	0.05%	₹ 100/Lot
	0.04% (Online)	₹ 100/Lot
STT	0.01%	0.05%
STT (Exercised Option)		0.125% (of Settlement price)
Stamp Duty	0.002%*	0.002% (on premium)*
SEBI Charges	0.00015%	0.00015% (on premium)
Clearing Charges	0.0002%	0.0035% (on Premium)
NSE CURRENCY DERIVATIVES	FUTURES	OPTIONS
Brokerage	₹ 10/Lot	₹ 10/Lot
Stamp Duty	0.002%*	0.002%*
Exchange Charges	0.00115%	0.00115%
SEBI Charges	0.000115%	0.000115%
Clearing Charges	0.0006%	0.0006%

The rate of Brokerage, Exchange charges, Clearing charges & Demat Delivery charges are exclusive of GST\*\*\*, which will be charged extra at the rate of 18% or at the prevailing from time to time.

\*Kerala Stamp Duty upto a maximum of ₹ 250/- Stamp Duty for other States, as per the rates applicable from time to time.

\*\*BSE Charges for X, XT, Z Group -0.1% SCST Group-1%

\*\*\*Domicile state Kerala, Tamilnadu, Karnataka-CGST 9% + SGST 9%. Puducherry - UGST 9%, Other State - 18% GST as per the rates applicable from time to time.

Documentation charges ₹ 200/-

Minimum brokerage for Clients who have opted digital Contract Notes ₹ 25, Physical Contract Notes ₹ 50 per day,

## FEE STRUCTURE FOR DEPOSITORY SERVICES

Charges	Regular Service Demat Account (RSDA)	Basic Services Demat Account (BSDA)
Account Opening Charges	NIL (Statutory Charges applicable)	NIL (Statutory Charges applicable)
Dematerialisation Charges	NIL + Courier charges @ ₹ 40 per request	NIL + Courier charges @ ₹ 40 per request
Rematerialisation Charges	₹ 50 per Certificate or ₹ 20 for 100 Securities, whichever is higher + courier charges ₹ 40	₹ 50 per Certificate or ₹ 20 for 100 Securities, whichever is higher + courier charges ₹ 40
Custody Charges	NIL	NIL
<b>Transaction Charges</b>		
1. Market Trades		
a) for transaction through Capstocks (sales)	₹ 15/- per transaction	₹ 60/- per transaction
Credit (Purchase)	NIL	NIL
b) for transaction through other brokers Debit (Sales)	₹ 50/- per transaction	₹ 100/- per transaction
Credit (Purchase)	NIL	NIL
Late submission of DIS (ie. DIS received on pay date)	₹ 25/- per transaction	₹ 25/- per transaction
2. Off market trades		
Debit (Sales)	₹ 20/- per transaction (if both accounts are with Capstocks.	₹ 20/- per transaction (if both accounts are with Capstocks.
Credit	₹ 50/- per transaction (transferring shares to other DP)	₹ 50/- per transaction (transferring shares to other DP)
	Nill	Nill
<b>Pledge Charges</b>		
Pledge setup	₹ 50/- pledger (per transaction)	₹ 50/- pledger (per transaction)
Pledge closure	NIL	NIL
Pledge invocation	₹ 50/- pledger (per transaction)	₹ 50/- pledger (per transaction)
Margin Pledge and Un Pledge	₹ 12/- + GSTIN	₹ 12/- + GSTIN
<b>Annual Maintenance Charges</b>	<b>Normal AMC</b> <input type="checkbox"/>	<b>AMC with Insurance</b> <input type="checkbox"/>
1) Resident accounts (opting physical)	₹ 400/-	₹ 550/-
2) Resident account opting electronic mode (DCN)	₹ 300/-	₹ 450/-
3) NRI Account	₹ 750/-	₹ 900/-
4) Corporate Account	₹ 1000/-	.....
		Type 1 (Holding value up to ₹ 50000/-) - NIL Type 2 (Holding value from ₹ 50001 to ₹ 200000/-) - ₹ 100/- Type 3 (Holding value above ₹ 200000/-) - The same tariff (AMC) for regular account holder will be applicable. Additional print out of statement will be charged ₹ 25/- per statement.
Repurchase/Redemption charges	₹ 50/- certificate	₹ 50/- certificate

**Notes:**

• Statutory charges ₹ 100 • All Charges are excluding of Taxes, levies and other statutory charges • Charges are collected upfront by cash/ local Cheque /DD or it will be debited to your Trading account of sole/ joint Demat Account holder/s maintained with us. • Interest 2% p.m would be charged on dues amount from the due date • The above tariff is subject to change. Charges, if any, will be intimated in advance. • All Charges are subject to revision at the sole discretion of Capstocks after giving notice of 30 days. • Capstocks may suspend or freeze the depository services of the Account Holder on non-payment of out standing bills

## SHEDULE OF CHARGES FOR COMMODITY TRADING

COMMODITY DERIVATIVES	FUTURES	OPTIONS
Brokerage	0.05%/Lot (Jobbing)	₹ 100/Lot
	0.5% (delivery)	
STT	0.01% (On sales only)	0.05% (On sales only)
STT (Exercised Option)		0.125% (of Settlement price)
Stamp Duty	0.001%*	0.001% (on premium)*
SEBI Charges	0.00015%	0.00015% (on premium)
Exchange Charges	0.0026% or as applicable on different Commodities	Applicable from time to time
Clearing Charges	<b>0.0003%</b>	<b>0.05% (on premium)</b>

The rate of Brokerage, Exchange charges, Clearing charges are exclusive of GST\*\*\*, which will be charged extra at the rate of 18% or at the rate prevailing from time to time.

\*Kerala Stamp Duty upto a maximum of ₹ 250/- . Stamp Duty for other States, as per the rates applicable from time to time.

\*\*\*Domicile state Kerala, Tamilnadu, Karnataka-CGST 9%, Puducherry -CGST 9% Other Stat - 18% GST as per the rates applicable from time to time.

### Notes:

- Above rates are exclusive of Stamp Duty and GST which will be charged extra at the rate prevailing from time to time. Further it is exclusive of Exchange Transaction Charges and SEBI turnover fees.
- All statutory liabilities on account of any State or Central Government Taxes, as applicable on the Commodities shall be the responsibility of the Client, and the same is not covered in the above schedule.
- In case of delivery contracts in Futures, the Warehouse, delivery allocation, Clearing and forwarding charges, Exchange charges and applicable GST and other Levies would be charged at actuals, in addition to above referred charges.
- Penal charges from the Exchanges towards margin shortages, position limit violations, failure / non-settlement of delivery obligations etc. shall applicable at actuals.
- Capstocks shall exercise right over the Commodities in the beneficiary account, in event of non-settlement of the above charges / obligations by the Client, for purpose of realisation of dues of Exchange or Capstocks.
- The General Rates as mentioned here shall be applied unless the Special Rates as may be agreed by the Client and the same are mentioned above.
- Minimum brokerage of ₹ 50/- per day or the agreed brokerage, whichever is higher will be applicable.
- For post / courier, ₹ 50/- will be charge per instance.
- For Internet and Wireless Technology based Trading facility , additional charges with regard to software access etc. will be applicable as per the terms agreed at relevant point in time.
- Any request for additional / duplicate copies of contracts and statements besides the scheduled dispatch will be charged at ₹ 50/- per request.
- Late / delayed payment charges will be levied @ 24% p.a. (subject to change).
- For cheque cancellations / bounce, ₹ 50/- (Exclusive of service tax) will be charged.

Capstocks & Securities India Pvt. Ltd., reserves the right to revise brokerage structure, statutory charges as applicable, under respective laws, and the other charges by display of the same on the Trading website/customer care site / intranet portal or through e-mails/letters.



## PART-III A RIGHTS AND OBLIGATIONS OF STOCK BROKERS, SUB- BROKERS AND CLIENTS

### As prescribed by SEBI / Stock Exchange(s)

1. The Client shall invest/trade in those securities/contracts/other instruments admitted to dealings on the Exchanges as defined in the Rules, Byelaws and Regulations of Exchanges/ Securities and Exchange Board of India (SEBI) and circulars/notices issued there under from time to time.
2. The Stock Broker, Sub-Broker and the Client shall be bound by all the Rules, Byelaws and Regulations of the Exchange and circulars/notices issued there under and Rules and Regulations of SEBI and relevant notifications of Government authorities as may be in force from time to time.
3. The Client shall satisfy himself of the capacity of the Stock Broker to deal in securities and/or deal in derivatives contracts and wishes to execute its orders through the Stock Broker and the Client shall from time to time continue to satisfy itself of such capability of the Stock Broker before executing orders through the Stock Broker.
4. The Stock Broker shall continuously satisfy itself about the genuineness and financial soundness of the Client and investment objectives relevant to the services to be provided.
5. The Stock Broker shall take steps to make the Client aware of the precise nature of the Stock Broker's liability for business to be conducted, including any limitations, the liability and the capacity in which the Stock Broker acts
6. The Sub-Broker shall provide necessary assistance and co-operate with the Stock Broker in all its dealings with the Client(s).

### CLIENT INFORMATION

7. The Client shall furnish all such details in full as are required by the Stock Broker in "Account Opening Form" with supporting details, made mandatory by Stock Exchanges/SEBI from time to time.
8. The Client shall familiarize himself with all the mandatory provisions in the Account Opening documents. Any additional clauses or documents specified by the Stock Broker shall be non-mandatory, as per terms & conditions accepted by the Client.
9. The Client shall immediately notify the Stock Broker in writing if there is any change in the information in the 'Account Opening Form' as provided at the time of account opening and thereafter; including the information on winding up petition/insolvency petition or any litigation which may have material bearing on his capacity. The Client shall provide/update the financial information to the Stock Broker on a periodic basis.
10. The Stock Broker and Sub-Broker shall maintain all the details of the Client as mentioned in the Account Opening Form or any other information pertaining to the Client, confidentially and that they shall not disclose the same to any person/authority except as required under any law/regulatory requirements. Provided however that the Stock Broker may so disclose information about his Client to any person or authority with the express permission of the Client.

### MARGINS

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

### TRANSACTIONS AND SETTLEMENTS

13. The Client shall give any order for buy or sell of a security/derivatives contract in writing or in such form or manner, as may be mutually agreed between the Client and the Stock Broker. The Stock Broker shall ensure to place orders and execute the trades of the Client, only in the Unique Client Code assigned to that Client.
14. The Stock Broker shall inform the Client and keep him apprised about Trading/settlement cycles, delivery/payment schedules, any changes therein from time to time, and it shall be the responsibility in turn of the Client to comply with such schedules/procedures of the relevant Stock Exchange where the trade is executed.
15. The Stock Broker shall ensure that the money/securities deposited by the Client shall be kept in a separate account, distinct from his/its own account or account of any other Client and shall not be used by the Stock Broker for himself/itself or for any other Client or for any purpose other than the purposes mentioned in Rules, Regulations, circulars, notices, guidelines of SEBI and/or Rules, Regulations, Bye-laws, circulars and notices of Exchange.
16. Where the Exchange(s) cancels trade(s) suo moto all such trades including the trade/s done on behalf of the Client shall ipso facto stand cancelled, Stock Broker shall be entitled to cancel the respective contract(s) with Client(s).

17. The transactions executed on the Exchange are subject to Rules, Byelaws and Regulations and circulars/ notices issued thereunder of the Exchanges where the trade is executed and all parties to such trade shall have submitted to the jurisdiction of such court as may be specified by the Byelaws and Regulations of the Exchanges where the trade is executed for the purpose of giving effect to the provisions of the Rules, Byelaws and Regulations of the Exchanges and the circulars/notices issued thereunder.

#### **BROKERAGE**

18. The Client shall pay to the Stock Broker brokerage and statutory levies as are prevailing from time to time and as they apply to the Client's account, transactions and to the services that Stock Broker renders to the Client. The Stock Broker shall not charge brokerage more than the maximum brokerage permissible as per the rules, regulations and bye-laws of the relevant Stock Exchanges and/or rules and regulations of SEBI.

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

19. Without prejudice to the Stock Broker's other rights (including the right to refer a matter to arbitration), the Client understands that the Stock Broker shall be entitled to liquidate/close out all or any of the Client's positions for non-payment of margins or other amounts, outstanding debts, etc. and adjust the proceeds of such liquidation/close out, if any, against the Client's liabilities/obligations. Any and all losses and financial charges on account of such liquidation/closing-out shall be charged to and borne by the Client.
20. In the event of death or insolvency of the Client or his/its otherwise becoming incapable of receiving and paying for or delivering or transferring securities which the Client has ordered to be bought or sold, Stock Broker may close out the transaction of the Client and claim losses, if any, against the estate of the Client. The Client or his Nominees, successors, heirs and assignee shall be entitled to any surplus which may result there from. The Client shall note that transfer of funds/securities in favor of a Nominee shall be valid discharge by the Stock Broker against the legal heir.
21. The Stock Broker shall bring to the notice of the relevant Exchange the information about default in payment/ delivery and related aspects by a Client. In case where defaulting Client is a corporate entity/partnership/proprietary firm or any other artificial legal entity, then the Name(s) of Director(s)/Promoter(s)/Partner(s)/Proprietor as the case may be, shall also be communicated by the Stock Broker to the relevant Exchange(s).

#### **DISPUTE RESOLUTION**

22. The Stock Broker shall provide the Client with the relevant contact details of the concerned Exchanges and SEBI
23. The Stock Broker shall co-operate in redressing grievances of the Client in respect of all transactions routed through it and in removing objections for bad delivery of shares, rectification of bad delivery, etc.
24. The Client and the Stock Broker shall refer any claims and/or disputes with respect to deposits, margin money, etc., to arbitration as per the Rules, Byelaws and Regulations of the Exchanges where the trade is executed and circulars/notices issued thereunder as may be in force from time to time.
25. The Stock Broker shall ensure faster settlement of any arbitration proceedings arising out of the transactions entered into between him vis-a-vis the Client and he shall be liable to implement the arbitration awards made in such proceedings.
26. The Client/Stock-Broker understands that the instructions issued by an authorized representative for dispute resolution, if any, of the Client/Stock-Broker shall be binding on the Client/Stock-Broker in accordance with the letter authorizing the said representative to deal on behalf of the said Client/Stock-Broker.

#### **TERMINATION OF RELATIONSHIP**

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

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

30. The Stock Broker shall ensure due protection to the Client regarding Client's rights to dividends, rights or bonus shares, etc. in respect of transactions routed through it and it shall not do anything which is likely to harm the interest of the Client with whom and for whom they may have had transactions in securities. 31. The Stock Broker and Client shall reconcile and settle their accounts from time to time as per the Rules, Regulations, Bye Laws, Circulars, Notices and Guidelines issued by SEBI and the relevant Exchanges where the trade is executed.

32. The Stock Broker shall issue a contract note to his constituents for trades executed in such format as may be prescribed by the Exchange from time to time containing records of all transactions including details of order number, trade number, trade time, trade price, trade quantity, details of the derivatives contract, Client code, brokerage, all charges levied etc. and with all other relevant details as required therein to be filled in and issued in such manner and within such time as prescribed by the Exchange. The Stock Broker shall send Contract Notes to the investors within one working day of the execution of the trades in hard copy and/or in electronic form using digital signature.
33. The Stock Broker shall make pay out of funds or delivery of securities, as the case may be, to the Client within one working day of receipt of the payout from the relevant Exchange where the trade is executed unless otherwise specified by the Client and subject to such terms and conditions as may be prescribed by the relevant Exchange from time to time where the trade is executed.
34. The Stock Broker shall send a complete 'Statement of Accounts' for both funds and securities in respect of each of its Clients in such periodicity and format within such time, as may be prescribed by the relevant Exchange, from time to time, where the trade is executed. The Statement shall also state that the Client shall report errors, if any, in the Statement within such time as may be prescribed by the relevant Exchange from time to time where the trade was executed, from the receipt thereof to the Stock Broker.
35. The Stock Broker shall send daily margin statements to the Clients. Daily Margin statement should include, inter-alia, details of collateral deposited, collateral utilized and collateral status (available balance/due from Client) with break up in terms of cash, Fixed Deposit Receipts (FDRs), Bank Guardianantee and securities.
36. The Client shall ensure that it has the required legal capacity to, and is authorized to, enter into the relationship with Stock Broker and is capable of performing his obligations and undertakings hereunder. All actions required to be taken to ensure compliance of all the transactions, which the Client may enter into shall be completed by the Client prior to such transaction being entered into.

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

37. In case, Client opts to receive the contract note in electronic form, he shall provide an appropriate e-mail id to the Stock Broker. The Client shall communicate to the Stock Broker any change in the email-id through a physical letter. If the Client has opted for Internet Trading, the request for change of email id may be made through the secured access by way of Client specific user id and password.
38. The Stock Broker shall ensure that all ECNs sent through the e-mail shall be digitally signed, encrypted, non-tamper able and in compliance with the provisions of the IT Act, 2000. In case, ECN is sent through e-mail as an attachment, the attached file shall also be secured with the digital signature, encrypted and non-tamperable.
39. The Client shall note that non-receipt of bounced mail notification by the Stock Broker shall amount to delivery of the contract note at the e-mail id of the Client.
40. The Stock Broker shall retain ECN and acknowledgement of the e-mail in a soft and non-tamperable form in the manner prescribed by the Exchange in compliance with the provisions of the IT Act, 2000 and as per the extant rules/regulations/circulars/guidelines issued by SEBI/Stock Exchanges from time to time. The proof of delivery i.e., log report generated by the system at the time of sending the Contract Notes shall be maintained by the Stock Broker for the specified period under the extant regulations of SEBI/Stock Exchanges. The log report shall provide the details of the Contract Notes that are not delivered to the Client/e-mails rejected or bounced back. The Stock Broker shall take all possible steps to ensure receipt of notification of bounced mails by him at all times within the stipulated time period under the extant regulations of SEBI/Stock Exchanges.
41. The Stock Broker shall continue to send Contract Notes in the physical mode to such Clients who do not opt to receive the Contract Notes in the electronic form. Wherever the ECNs have not been delivered to the Client or has been rejected (bouncing of mails) by the e-mail id of the Client, the Stock Broker shall send a physical contract note to the Client within the stipulated time under the extant regulations of SEBI/Stock Exchanges and maintain the proof of delivery of such physical Contract Notes.
42. In addition to the e-mail communication of the ECNs to the Client, the Stock Broker shall simultaneously publish the ECN on his designated web-site, if any, in a secured way and enable relevant access to the Clients and for this purpose, shall allot a unique user Name and password to the Client, with an option to the Client to save the contract note electronically and/or take a print out of the same.

#### **LAW AND JURISDICTION**

43. In addition to the specific rights set out in this document, the Stock Broker, Sub-Broker and the Client shall be entitled to exercise any other rights which the Stock Broker or the Client may have under the Rules, Bye-laws and Regulations of the Exchanges in which the Client chooses to trade and circulars/notices issued thereunder or Rules and Regulations of SEBI.
44. The provisions of this document shall always be subject to Government notifications, any rules, regulations, guidelines and circulars/notices issued by SEBI and Rules, Regulations and Bye laws of the relevant Stock Exchanges, where the trade is executed, that may be in force from time to time.
45. The Stock Broker and the Client shall abide by any award passed by the Arbitrator(s) under the Arbitration and Conciliation Act, 1996. However, there is also a provision of appeal within the Stock Exchanges, if either party is not satisfied with the arbitration award.
46. Words and expressions which are used in this document but which are not defined herein shall, unless the context otherwise requires, have the same meaning as assigned thereto in the Rules, Byelaws and Regulations and circulars/notices issued thereunder of the Exchanges/SEBI.

47. All additional voluntary clauses/document added by the Stock Broker should not be in contravention with rules/ regulations/notices/circulars of Exchanges/SEBI. Any changes in such voluntary clauses/document(s) need to be preceded by a notice of 15 days. Any changes in the rights and obligations which are specified by Exchanges/ SEBI shall also be brought to the notice of the Clients.
48. If the rights and obligations of the parties hereto are altered by virtue of change in Rules and regulations of SEBI or Bye-laws, Rules and Regulations of the relevant Stock Exchanges where the trade is executed, such changes shall be deemed to have been incorporated herein in modification of the rights and obligations of the parties mentioned in this document.

#### **INTERNET & WIRELESS TECHNOLOGY BASED TRADING FACILITY PROVIDED BY STOCK BROKERS TO CLIENT**

**All the clauses mentioned in the 'Rights and Obligations' document(s) shall be applicable.**

**Additionally, the clauses mentioned herein shall also be applicable.**

1. Stock Broker is eligible for providing Internet based Trading (IBT) and securities Trading through the use of Wireless Technology that shall include the use of devices such as mobile phone, laptop with data card, etc. which use Internet Protocol (IP). The Stock Broker shall comply with all requirements applicable to internet based Trading/securities Trading using Wireless Technology as may be specified by SEBI & the Exchanges from time to time.
2. The Client is desirous of investing/Trading in securities and for this purpose, the Client is desirous of using either the Internet Based Trading facility or the facility for securities Trading through use of Wireless Technology. The Stock Broker shall provide the Stock Broker's IBT Service to the Client, and the Client shall avail of the Stock Broker's IBT Service, on and subject to SEBI/Exchanges Provisions and the terms and conditions specified on the Stock Broker's IBT Web Site provided that they are in line with the norms prescribed by Exchanges/SEBI.
3. The Stock Broker shall bring to the notice of Client the features, risks, responsibilities, obligations and liabilities associated with securities Trading through wireless technology/internet/smart order routing or any other technology should be brought to the notice of the Client by the Stock Broker.
4. The Stock Broker shall make the Client aware that the Stock Broker's IBT system itself generates the initial password and its password policy as stipulated in line with norms prescribed by Exchanges/SEBI.
5. The Client shall be responsible for keeping the UserName and Password confidential and secure and shall be solely responsible for all orders entered and transactions done by any person whatsoever 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.

## PART-III B. RIGHTS AND OBLIGATIONS OF BENEFICIAL OWNER AND DEPOSITORY PARTICIPANT (AS PRESCRIBED BY SEBI AND DEPOSITORIES)

### General Clause

1. The Beneficial Owner and the Depository Participant (DP) shall be bound by the provisions of the Depositories Act, 1996, SEBI (Depositories and Participants) Regulations, 1996, Rules and Regulations of Securities and Exchange Board of India (SEBI), Circulars/Notifications/Guidelines issued there under, Bye Laws and Business Rules/Operating Instructions issued by the Depositories and relevant notifications of Government Authorities as may be in force from time to time.
2. The DP shall open/activate Demat Account of a beneficial Owner in the depository system only after receipt of complete Account Opening Form, KYC and supporting documents as specified by SEBI from time to time.

### Beneficial Owner information

3. The DP shall maintain all the details of the beneficial Owner(s) as mentioned in the Account Opening Form, supporting documents submitted by them and/or any other information pertaining to the Beneficial Owner confidentially and shall not disclose the same to any person except as required by any statutory, legal or regulatory authority in this regard
4. The Beneficial Owner shall immediately notify the DP in writing, if there is any change in details provided in the Account Opening Form as submitted to the DP at the time of opening the Demat Account or furnished to the DP from time to time.

### Fees/Charges/Tariff

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

### Separate Accounts

9. The DP shall open separate accounts in the Name of each of the Beneficial Owners and securities of each Beneficial Owner shall be segregated and shall not be mixed up with the securities of other beneficial Owners and/or DP's own securities held in dematerialized form.
10. The DP shall not facilitate the Beneficial Owner to create or permit any pledge and/or hypothecation or any other interest or encumbrance over all or any of such securities submitted for dematerialization and/or held in Demat Account except in the form and manner prescribed in the Depositories Act, 1996, SEBI (Depositories and Participants) Regulations, 1996 and Bye-Laws/Operating Instructions/Business Rules of the Depositories.

### Transfer of Securities

11. The DP shall effect transfer to and from the Demat Accounts of the Beneficial Owner only on the basis of an order, instruction, direction or mandate duly authorized by the Beneficial Owner and the DP shall maintain the original documents and the audit trail of such authorizations.
12. The Beneficial Owner reserves the right to give standing instructions with regard to the crediting of securities in his Demat Account and the DP shall act according to such instructions. Statement of account
13. The DP shall provide statements of accounts to the beneficial Owner in such form and manner and at such time as agreed with the Beneficial Owner and as specified by SEBI /depository in this regard.
14. However, if there is no transaction in the Demat Account, or if the balance has become Nil during the year, the DP shall send one physical statement of holding annually to such BOs and shall resume sending the transaction statement as and when there is a transaction in the account.

15. The DP may provide the services of issuing the statement of Demat Accounts in an electronic mode if the Beneficial Owner so desires. The DP will furnish to the Beneficial Owner the statement of Demat Accounts under its digital signature, as governed under the Information Technology Act, 2000. However if the DP does not have the facility of providing the statement of Demat Account in the electronic mode, then the Participant shall be obliged to forward the statement of Demat Accounts in physical form.
16. In case of Basic Services Demat Accounts, the DP shall send the transaction statements as mandated by SEBI and/ or Depository from time to time.

#### **Manner of Closure of Demat Account**

17. The DP shall have the right to close the Demat Account of the Beneficial Owner, for any reasons whatsoever, provided the DP has given a notice in writing of not less than thirty days to the Beneficial Owner as well as to the Depository. Similarly, the Beneficial Owner shall have the right to close his/her Demat Account held with the DP provided no charges are payable by him/her to the DP. In such an event, the Beneficial Owner shall specify whether the balances in their Demat Account should be transferred to another Demat Account of the Beneficial Owner held with another DP or to rematerialize the security balances held.
18. Based on the instructions of the Beneficial Owner, the DP shall initiate the procedure for transferring such security balances or rematerialize such security balances within a period of thirty days as per procedure specified from time to time by the depository. Provided further, closure of Demat Account shall not affect the rights, liabilities and obligations of either the Beneficial Owner or the DP and shall continue to bind the parties to their satisfactory completion.

#### **Default in payment of charges**

19. In event of Beneficial Owner committing a default in the payment of any amount provided in Clause 5 & 6 within a period of thirty days from the date of demand, without prejudice to the right of the DP to close the Demat Account of the Beneficial Owner, the DP may charge interest at a rate as specified by the Depository from time to time for the period of such default.
20. In case the Beneficial Owner has failed to make the payment of any of the amounts as provided in Clause 5&6 specified above, the DP after giving two days notice to the Beneficial Owner shall have the right to stop processing of instructions of the Beneficial Owner till such time he makes the payment along with interest, if any.

#### **Liability of the Depository**

21. As per Section 16 of Depositories Act, 1996,
  1. Without prejudice to the provisions of any other law for the time being in force, any loss caused to the Beneficial Owner due to the negligence of the depository or the participant, the Depository shall indemnify such Beneficial Owner.
  2. Where the loss due to the negligence of the participant under Clause (1) above, is indemnified by the Depository, the Depository shall have the right to recover the same from such participant.

#### **Freezing/ Defreezing of accounts**

22. The Beneficial Owner may exercise the right to freeze/defreeze his/her Demat Account maintained with the DP in accordance with the procedure and subject to the restrictions laid down under the Bye Laws and Business Rules/ Operating Instructions.
23. The DP or the Depository shall have the right to freeze/defreeze the accounts of the Beneficial Owners on receipt of instructions received from any regulator or court or any statutory authority. Redressal of Investor grievance
24. The DP shall redress all grievances of the Beneficial Owner against the DP within a period of thirty days from the date of receipt of the complaint. Authorized representative
25. If the Beneficial Owner is a body corporate or a legal entity, it shall, along with the Account Opening Form, furnish to the DP, a list of officials authorized by it, who shall represent and interact on its behalf-with the Participant. Any change in such list including additions, deletions or alterations thereto shall be forthwith communicated to the Participant.

### Law and Jurisdiction

26. In addition to the specific rights set out in this document, the DP and the Beneficial Owner shall be entitled to exercise any other rights which the DP or the Beneficial Owner may have under the Rules, Bye Laws and Regulations of the respective Depository in which the Demat Account is opened and circulars/notices issued there under or Rules and Regulations of SEBI.
27. The provisions of this document shall always be subject to Government notification, any rules, regulations, guidelines and circulars/ notices issued by SEBI and Rules, Regulations and Bye-laws of the relevant Depository, where the Beneficial Owner maintains his/ her account, that may be in force from time to time.
28. The Beneficial Owner and the DP shall abide by the arbitration and conciliation procedure prescribed under the Bye-laws of the depository and that such procedure shall be applicable to any disputes between the DP and the Beneficial Owner.
29. Words and expressions which are used in this document but which are not defined herein shall unless the context otherwise requires, have the same meanings as assigned thereto in the Rules, Bye-laws and Regulations and circulars/notices issued there under by the Depository and/or SEBI
30. Any changes in the rights and obligations which are specified by SEBI/Depositories shall also be brought to the notice of the Clients at once.
31. If the rights and obligations of the parties hereto are altered by virtue of change in Rules and regulations of SEBI or Bye-laws, Rules and Regulations of the relevant Depository, where the Beneficial Owner maintains his/her account, such changes shall be deemed to have been incorporated herein in modification of the rights and obligations of the parties mentioned in this document.

### PART-III C RIGHTS AND OBLIGATIONS OF MEMBERS, AUTHORIZED PERSONS AND CLIENTS (AS PRESCRIBED BY SEBI AND COMMODITY 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/SEBI 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 SEBI 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. 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/SEBI 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
    - 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;
    - 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 \*\*contracts offered by Commodity Exchanges
  - 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 II.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 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.
13. Protection of personal information and confidentiality

\*\* Contract offered by Commodity Exchange



- 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—
    - VI. informs the Client in advance that the personal information may be shared with a third party; and
    - VII. 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
    - VIII. the disclosure is made to protect against or prevent actual or potential fraud, unauthorised 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;
    - 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
  - 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 any other information that may be specified b. 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.
- c. 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 SEBI 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 SEBI) 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.
- 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, notices, circulars, guidelines of SEBI 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 thereunder of the Exchanges where the trade is executed and all parties to such trade shall have submitted to the jurisdiction of such court as may be specified by the Byelaws and 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 SEBI.

#### **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 nonpayment 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.
- 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.
- 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
    2. the interests of the concerned Member and interests of the Client, in cases where the Member is a financial representative
- 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 SEBI 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 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 within such time as may be prescribed by the relevant Exchange from time to time where the trade was executed, from the receipt thereof to the Stock broker
- 38 The Member shall send margin statements to the Clients on daily 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 Guardianantee, 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

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 behavior;
  - 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. 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 tamperable and in compliance with the provisions of the IT Act, 2000. In case, ECN is sent through e-mail as an attachment, the attached file shall also be secured with the digital signature, encrypted and non-tamperable.
- 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 SEBI/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 SEBI/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 SEBI/ 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 SEBI/Commodity Exchanges and maintain the proof of dispatch and delivery of such physical Contract Notes.
- 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 obtained from the Client who opts to receive the contract note in electronic form. 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 thereunder or Rules of SEBI.
- 50 The provisions of this document shall always be subject to Government notifications, any rules, guidelines and circulars/notices issued by SEBI 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,

- 53 Byelaws and Regulations/ Business Rules and circulars/notices issued there under of the Exchanges/SEBI. All additional voluntary/ non-mandatory clauses/document added by the Member should not be in contravention with Rules/ Business Rules/Notices/Circulars of Exchanges/SEBI. Any changes in such voluntary clauses/ document(s) need to be preceded by a notice of 15 days. Any changes in the rights and obligations which are specified by Exchanges/SEBI shall also be brought to the notice of the Clients
- 54 If the rights and obligations of the parties hereto are altered by virtue of change in Rules of SEBI 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.

## RISK DISCLOSURE DOCUMENT FOR EQUITIES/DERIVATIVES SEGMENTS OF THE STOCK EXCHANGES AND IN COMMODITY DERIVATIVES EXCHANGES

This document contains important information on Trading in Equities/Derivatives Segments of the Stock Exchanges and in Commodity Derivatives. All prospective constituents should read this document before Trading in Equities/Derivatives Segments of the Exchanges and in Commodity Derivatives Exchanges. Exchanges/SEBI does neither singly or jointly and expressly nor impliedly Guardianantee nor make any representation concerning the completeness, the adequacy or accuracy of this disclosure document nor have 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/Commodity 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 Exchanges and suffer adverse consequences or loss, you shall be solely responsible for the same and the 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/ Commodity 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 Guardianantee of profits or no exception from losses while executing orders for purchase and/or sale of a derivative contract being traded on Stock/Commodity Exchanges. It must be clearly understood by you that your dealings on Stock/Commodity Exchanges through a Stock broker/ Member shall be subject to your fulfilling certain formalities set out by the Stock broker/member, 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 Exchanges, its Clearing Corporation, guidelines prescribed by SEBI and in force from time to time and Circulars as may be issued by Exchanges or Clearing Corporation and in force from time to time.

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 broker of any 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 Exchanges. Generally, higher the volatility of a security/derivatives contract, greater is its price swings. There may be normally greater volatility in thinly traded securities / derivatives contracts than in active securities /derivatives contracts. As a result of volatility, your order may only be partially executed or not executed at all, or the price at which your order got executed may be substantially different from the last traded price or change substantially thereafter, resulting in notional or real losses.

## 1.2 Risk of Lower Liquidity:

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

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

## 1.3 Risk of Wider Spreads:

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

## 1.4 Risk-reducing orders:

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

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

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

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

## 1.5 Risk of News Announcements:

News announcements that may impact the price of Stock / derivatives contract may occur during Trading, and when combined with lower liquidity and higher volatility, may suddenly cause an unexpected positive or negative

## 1.6 Risk of Rumors:

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

## 1.7 System Risk:

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

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

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

## 1.8 System/Network Congestion:

Trading on Exchanges is in electronic mode, based on satellite/leased line based communications, combination of technologies and computer systems to place and route orders. Thus, there exists a possibility of communication failure or system problems or slow or delayed response from system or Trading halt, or any such other problem/glitch whereby not being able to establish access to the Trading system/network, which may be beyond control and may result in delay in processing or not processing buy or sell orders either in part or in full. You are cautioned to note that

although these problems may be temporary in nature, but when you have outstanding open positions or unexecuted orders, these represent a risk because of your obligations to settle all executed transactions.

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

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

In the derivatives market, the amount of margin is small relative to the value of the derivatives contract so the transactions are ‘leveraged’ or ‘geared’. Derivatives Trading, which is conducted with a relatively small amount of margin, provides the possibility of great profit or loss in comparison with the margin amount. But transactions in derivatives carry a high degree of risk. You should therefore completely understand the following statements before actually Trading in derivatives and also trade with caution while taking into account one’s circumstances, financial resources, etc. If the prices move against you, you may lose a part of or whole margin amount in a relatively short period of time. Moreover, the loss may exceed the original margin amount.

- A. Futures Trading involve daily settlement of all positions. Every day the open positions are marked to market based on the closing level of the index / derivatives contract. If the contract has moved against you, you will be required to deposit the amount of loss (notional) resulting from such movement. This amount will have to be paid within a stipulated time frame, generally before commencement of Trading on next day.
- B. If you fail to deposit the additional amount by the deadline or if an outstanding debt occurs in your account, the Stock broker may liquidate a part of or the whole position or substitute securities. In this case, you will be liable for any losses incurred due to such close-outs.
- C. Under certain market conditions, an investor may find it difficult or impossible to execute transactions. For example, this situation can occur due to factors such as illiquidity i.e. when there are insufficient bids or offers or suspension of Trading due to price limit or circuit breakers etc.
- D. In order to maintain market stability, the following steps may be adopted: changes in the margin rate, increases in the cash margin rate or others. These new measures may also be applied to the existing open interests. In such conditions, you will be required to put up additional margins or reduce your positions.
- E. You must ask your broker to provide the full details of derivatives contracts you plan to trade i.e. the contract specifications and the associated obligations.

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

1. The profit or loss in transactions in Foreign currency-denominated contracts, whether they are traded in your own or another jurisdiction, will be affected by fluctuations in currency rates where there is a need to convert from the currency denomination of the contract to another currency.
2. Under certain market conditions, you may find it difficult or impossible to liquidate a position. This can occur, for example when a currency is deregulated or fixed Trading bands are widened.
3. Currency prices are highly volatile. Price movements for currencies are influenced by, among other things: changing supply-demand relationships; trade, fiscal, monetary, Exchange control programs and policies of governments; Foreign political and economic events and policies; changes in National and interNational interest rates and inflation; currency devaluation; and sentiment of the market place. None of these factors can be controlled by any individual advisor and no assurance can be given that an advisor’s advice will result in profitable trades for a participating customer or that a customer will not incur losses from such events.

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

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

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

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



3. Transactions that involve buying and writing multiple options in combination, or buying or writing options in combination with buying or selling short the underlying interests, present additional risks to investors. Combination transactions, such as option spreads, are more complex than buying or writing a single option. And it should be further noted that, as in any area of investing, a complexity not well understood is, in itself, a risk factor. While this is not to suggest that combination strategies should not be considered, it is advisable, as is the case with all investments in options, to consult with someone who is experienced and knowledgeable with respect to the risks and potential rewards of combination transactions under various market circumstances.
3. Trading THROUGH WIRELESS TECHNOLOGY/ SMART ORDER ROUTING OR ANY OTHER TECHNOLOGY: Any additional provisions defining the features, risks, responsibilities, obligations and liabilities associated with securities/Commodity Trading through wireless technology/ smart order routing or any other technology should be brought to the notice of the Client by the Stock broker/Member

#### 4. General

##### 4.1 Deposited cash and property:

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

##### 4.2 Commission and other charges:

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

- 4.3 **Constituent** shall mean and include a Client, a Customer or an Investor, who deals with a member for the purpose of Trading in the Commodity derivatives through the mechanism provided by the Exchange.

- 4.4 **Member** shall mean and include a Trading Member or a Broker, who has been admitted as such by the Exchange and got a Unique Member Code from SEBI.

## POLICES AND PROCEDURES

### 1. Penny Stocks :

A Stock that trades at a relatively low price and market capitalisation. These types of Stocks are generally considered to be highly speculative and of high risk because of their lack of liquidity, large bid-ask spreads, small capitalization and limited following and disclosure. Capstocks shall permit Clients to buy/sell in penny Stocks, subject to the risk management policy of the Company. Capstocks, reserve the right to permit or refuse limits in Penny Stocks and losses if any, on account of such refusal, shall be borne by the Client himself.

### 2. Client Exposure Limit :

Capstocks may from time to time impose and vary limits on the orders that the Client can place through its 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 Capstocks may need to vary or reduce the limits or impose new limits urgently on the basis of its risk perception and other 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 that Capstocks may be unable to inform the Client of such variation, reduction or imposition in advance. The Client agrees that Capstocks shall not be responsible for such variation, reduction or imposition or the Client's inability to route any order through the Trading system on account of any such variation, reduction or imposition of limits. The Client further agrees that the Capstocks 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 Capstocks 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 due to delay caused by such review, shall be borne exclusively by the Client alone. In case of exposure taken on the basis of share margin, the payment is required to be made before the Exchange "Pay In" date otherwise it will be liable to squared off after the "Pay In" time or any time, due to shortage of margin

### **3. Applicable Brokerage Rates :**

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

### **4. Imposition of Penalty/Delayed Payment Charges :**

Clients are liable to pay the pay-in/margin obligation, within the time limit prescribed by SEBI/Stock Exchange(s). Capstocks, reserves the right of imposition of delayed payment charges and the Client shall be liable for the payment of such charges at such rate as may be prescribed by Capstocks, in accordance to SEBI/Exchange norms. The Penalty charges shall be debited in the Client account, on a daily, weekly, monthly or quarterly basis, as may be determined by Capstocks from time to time. Further, Capstocks shall not be held liable 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 and the same shall be borne by the Client.

### **5. The Right to sell Clients Securities or Close Client's positions, without giving notice to the Client on account of non payment of dues :**

Capstocks shall at its sole discretion square off/liquidate open positions of Clients and/or sell Clients Securities, in the event of his/her/its failure to meet Margin/Pay-in obligations/Outstanding debts, etc in time. The Securities to be sold shall include those maintained as Margin and/or Securities lying in the Pool Account and/or Client's Demat Account. Capstocks shall be under no obligation to communicate such Close Out of positions or Sale of Securities and shall not be held responsible for any losses incurred by the Client due to such squaring off /sale or for not doing so. Any and/all losses and financial charges on account of such liquidation/closing out shall be charged to and borne by the Client. It shall be the responsibility of the Client to ensure timely availability of funds/securities at designated time and in designated bank or depository account(s) for meeting his/her/its, pay-in obligation of funds/securities. In case the margin/security is made by the Client through a Bank instrument, the Capstocks shall be at liberty to give the benefit/credit for the same only on realization of funds, from the said bank instrument.

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

Capstocks shall not be obliged to deliver any securities or pay any money to the Client unless and until the same has been received from the Exchange/Clearing Corporation/Clearing House or other Company or entity liable to make the delivery/payment and the Client has fulfilled his/her/ its obligations first. The shortages in obligation arising out of internal netting of trades will be settled by purchase from the market or by squaring off, at the discretion of Capstocks, subject to SEBI/Exchange Rules & Regulations. All losses to the Client on this account shall be borne solely by the Client and the Client shall also indemnify Capstocks in this respect.

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

The Client may be permitted to take exposure up to the amount of margin available with Capstocks. The Client may not be allowed to take position in case of non-availability/shortage of margin. The existing position of the Client is also liable to be squared off/closed out, without giving notice of shortage of margin/ nonpayment for their pay in obligation/outstanding debts. In addition to the conditions as provided under the policy of right to sell securities and close out of Client's open position, Capstocks shall have the right to refuse trades or not allow the Clients to take further positions and / or close out the existing positions, under circumstances which shall include the following

- a. As a result of any regulatory directive / restriction;
- b. Non-receipt of funds / securities and / or bouncing of Cheque received from the Client towards his obligations / margin / ledger balances;
- c. Due to technical reasons;
- d. Securities breaching the limits specified by the Exchanges/Regulators from time to time.
- e. In case of failure to meet margin including mark to market margins.
- f. Any other conditions as may be specified by Capstocks from time to time in view of market conditions, regulatory requirements, internal policies etc;
- g. Due to any force majeure event beyond the control of Capstocks. Capstocks shall not be responsible for any loss incurred due to "Close Out" and the Client shall indemnify in this regard

### **8. Temporarily suspending or closing a Clients Account, at the Client's request :**

Capstocks may temporarily suspend/close a Client account, upon the request of the respective Client in writing. The Client account shall be reactivated again on his written request, subject to the clearance of all dues/settlement obligations. In case of closure of account the Client may be required to comply with fresh KYC registration formalities. Notwithstanding any such suspension/closure, all rights, liabilities and obligations of the parties arising out of or in respect of transactions entered into prior to such closure / suspension shall continue to subsist and binding on the Client.

#### 9. De registering a Client :

Deregistration of the Client shall be at the sole discretion of Capstocks. Capstocks may deregister the Client, if the Client breaches the terms and conditions of the Member - Client Agreement or provides any false information or declaration at the time of Client Registration. Further Capstocks may deregister the Client if the Client is suspected to be involved in any activities, in violation of applicable Rules and Regulations. The Client may also be deregistered due to any regulatory directive and other internal policies of Capstocks, including policy with respect to prevention of money laundering. Such deregistration/ termination shall not affect the rights and liabilities of the parties in respect of the transactions, executed before the date of such deregistration / termination.

#### 10. Inactive Client Account :

The Trading Account and/or Demat Account of a Client shall be treated as inactive, if it remains inoperative for a continuous period of twelve months. The shares/credit in the ledger, if any shall be transferred to the Client Account, within one week of Client being identified as inactive. The Constituent Client shall thereafter be prevented from any further transaction. An inactive account can be reactivated by submitting a duly signed request, at any of the Branches/H.O of Capstocks.

#### Client's Acceptance of Policies stated herein above:

I/We have fully understood the same and do hereby sign the same and agree not to call into question the validity, enforceability and applicability of any provision/clauses in this document in any circumstances whatsoever. These Policies and Procedures may be amended by Capstocks, provided the change is informed to me / us through any one or more approved means or methods of communication. I/we agree never to challenge the same on any grounds including delayed receipt / non receipt or any other reasons whatsoever. I/we understand and are aware that 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 slowness 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 our 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. I/we acknowledge and confirm that these Policies and Procedures shall always be read along with the agreement and shall be compulsorily referred to while deciding any dispute/difference or claim between me/us and Capstocks, before any court of law/judicial/adjudicating authority including arbitrator/ mediator etc.

Date :

Place :



Signature of Applicant / First holder

Name:

### **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.

### IN CASE OF TERMINATION OF TRADING MEMBERSHIP

16. In case, a Stock Broker surrenders his membership, is expelled from membership or declared a defaulter; Stock Exchanges gives a public notice inviting claims relating to only the “transactions executed on the Trading system” of Stock Exchange, from the investors. Ensure that you lodge a claim with the relevant Stock Exchanges within the stipulated period and with the supporting documents. 17. Familiarize yourself with the protection accorded to the money and/or securities you may deposit with your Stock Broker, particularly in the event of a default or the Stock Broker’s insolvency or bankruptcy and the extent to which you may recover such money and/or securities may be governed by the Bye-laws and Regulations of the relevant Stock Exchange where the trade was executed and the scheme of the Investors’ Protection Fund in force from time to time.

### DISPUTES/ COMPLAINTS

18. Please note that the details of the arbitration proceedings, penal action against the brokers and investor complaints against the Stock Brokers are displayed on the website of the relevant Stock Exchange.
19. In case your issue/problem/grievance is not being sorted out by concerned Stock Broker/Sub-Broker then you may take up the matter with the concerned Stock Exchange. If you are not satisfied with the resolution of your complaint then you can escalate the matter to SEBI.
20. Note that all the Stock Broker/Sub-Brokers have been mandated by SEBI to designate an e-mail id of the grievance redressal division/Compliance Officer exclusively for the purpose of registering complaints.

## GUIDANCE NOTE - DO'S AND DONT'S FOR THE CLIENTS TRADING IN COMMODITIES

### Do's

1. Trade only through Registered Members of the Exchange. Check from the Exchange website at following link <https://www.mcxindia.com/membership/notice-board/Member-AP> -Details to see whether the Member is registered with the Exchange.
2. Insist on filling up a standard 'Know Your Client (KYC)' form before you commence Trading
3. Insist on getting a Unique Client Code (UCC) and ensure all your trades are done under the said UCC.
4. Insist on reading and signing a standard 'Risk Disclosure Agreement'.
5. Obtain a copy of your KYC and/ or other documents executed by you with the Member, from the Member.
6. Cross check the genuineness of trades carried out at the Exchange through the trade verification facility available on the Exchange website at the following link <https://www.mcxindia.com/en/login> .The trades can be verified online where trade information is available up to 5 working days from the trade date.
7. Insist on a duly signed Contract Note in specified format for every executed trade within 24 hours of trade, highlighting the details of the trade along with your UCC.
8. Ensure that the Contract Note contains all the relevant information such as Member Registration Number, Order No., Order Date, Order time, Trade No., Trade rate, Quantity, Arbitration Clause, etc.
9. Obtain receipt for collaterals deposited with the Member towards margins.
10. Go through the Rules, Bye-laws, Regulations, Circulars, Directives, Notifications of the Exchange as well as of the Regulators, Government and other authorities to know your rights and duties vis-a-vis those of the Member.
11. Ask all relevant questions and clear your doubts with your Member before transacting.
12. Insist on receiving the bills for every settlement.
13. Insist on Monthly statements of your ledger account and report any discrepancies in the statement to your Member within 7 working days. In case of unsatisfactory response report the discrepancy to the Exchange within 15 working days from the date of cause of action.
14. Scrutinize minutely both the transaction & holding statements that you receive from your Depository Participant.
15. Keep Delivery Instruction Slips (DIS) book issued by DPs in safe possession.
16. Ensure that the DIS numbers are preprinted and your account number (UCC) is mentioned in the DIS book.
17. Freeze your Demat Account in case of your absence for longer duration or in case of not using the account frequently.

18. Pay required margins in time and only by Cheque and ask for receipt thereof from the Member.
19. Deliver the Commodities in case of sale or pay the money in case of purchase within the time prescribed.
20. Understand and comply with accounting standards for derivatives.
21. Ensure to read, understand and then sign the voluntary clauses, if any, agreed between you and the Member. Note that the clauses as agreed between you and the Member cannot be changed without your consent.
22. Get a clear idea about all brokerage, commissions, fees and other charges levied by the Member on you for Trading and the relevant provisions/guidelines specified by SEBI/Commodity Exchanges.
23. Make the payments by account payee cheque in favour of the Member. Ensure that you have a documentary proof of your payment/deposit of Commodities with the Member, stating date, Commodity, quantity, towards which bank/ Demat Account such money or Commodities (in the form of warehouse receipts) deposited and from which bank/ Demat Account.
24. The payout of funds or delivery of Commodities (as the case may be) shall not be made to you within one working day from the receipt of payout from the Exchange, in case you have given specific authorization for maintaining running account to the member. Thus, in this regard, the running account authorization provided by you to the Member shall be 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) You need to bring any dispute arising from the statement of account to the notice of the Member in writing preferably within 7 (seven) working days from the date of receipt of funds/Commodities or statement, as the case may be. In case of dispute, refer the matter in writing to the Investors Grievance Cell of the relevant Commodity Exchanges without delay.
  - c) In case you have not opted for maintaining running account and pay-out is not received on the next working day of the receipt of payout from the Exchanges, please refer the matter to the Member. In case there is dispute, ensure that you lodge a complaint in writing immediately with the Investors Grievance Cell of the relevant Commodity Exchange. d) Please register your mobile number and email id with the Member, to receive trade confirmation alerts/ details of the transactions through SMS or email, by the end of the Trading day, from the Commodity Exchanges.
25. You should familiarize yourself with the protection accorded to the money or other property you may deposit with your member, particularly in the event of a default in the Commodity derivatives or the member becomes insolvent or bankrupt.
26. Please ensure that you have a documentary proof of having made the deposit of such money or property with the member, stating towards which account such money or property deposited. 27. In case your problem/grievance/issue is not being sorted out by concerned Member/Authorised Person then you may take up the matter with the concerned Commodity Exchange. If you are not satisfied with the resolution of your complaint then you can escalate the matter to SEBI.

### **Dont's**

1. Do not deal with any unregistered intermediaries.
2. Do not undertake off-market transactions as such transactions are illegal and fall outside the jurisdiction of the Exchange.
3. Do not enter into assured returns arrangement with any Member.
4. Do not get carried away by luring advertisements, rumours, hot tips, explicit/implicit promise of returns, etc.
5. Do not make payments in cash/ take any cash towards margins and settlement to/ from the Member.
6. Do not start Trading before reading and understanding the Risk Disclosure Agreement.
7. Do not neglect to set out in writing, orders for higher value given over phone.
8. Do not accept unsigned/duplicate contract note/confirmation memo.
9. Do not accept contract note/confirmation memo signed by any unauthorized person.
10. Don't share your Internet Trading account's password with anyone
11. Do not delay payment/deliveries of Commodities to Member.
12. Do not forget to take note of risks involved in the investments.
13. Do not sign blank Delivery Instruction Slips (DIS) while furnishing Commodities, deposits and/or keep them with Depository Participants (DP) or member to save time.
14. Do not pay brokerage in excess of that rates prescribed by the Exchange
15. Don't issue cheques in the Name of Authorized Person.

## VOLUNTARY CLAUSES

### 1. PHONE BROKING SERVICES:

- a. The Client is aware that Capstocks offers "Phone Broking Services" for placing the securities dealing orders through its dealer. The Client can place securities dealing orders through telephone by confirming his/her/its user ID allotted by Capstocks at the time of account opening and his/her/its personal details as informed by the Client to Capstocks. The Client shall ensure proper safeGuardian of the user id allotted to him and keep his/ her/its personal details confidential. The Client shall immediately notify Capstocks in writing, delivered via e-mail and Registered AD, if the Client becomes aware of any loss, theft or unauthorized use of the Client's account/user id; or any failure by the Client to receive an accurate written confirmation of an execution including the contract note for the same; or any receipt by the Client of confirmation of an order and/or execution which the Client did not place; or any inaccurate information in the Client's account balances, securities positions, or transaction history. In the case where the Client notices such loss, theft or unauthorized use of the Client's user id to Capstocks, Capstocks shall suspend the use of the account of the Client. However the Client shall be responsible and liable for all transactions that are carried out by the use of the Client user id and personal details. When any of the above circumstances occur, neither Capstocks nor any of its officers, directors, employees, agents, affiliates or subsidiaries will have any responsibility or liability to the Client or to any other person whose claim may arise through the Client with respect to any of the circumstances described above
- b. The Client understands that placing an order with Capstocks, including a market order, does not Guarantee execution of the order. Capstocks has the absolute right to reject any order that may be made by the Client for any reason whatsoever including for the breach of the requirement of maintaining the prescribed Margin in the Client Account.
- c. In case of phone broking, the Client shall ensure the availability of funds/securities in his/her/its account intimated to Capstocks, required for meeting his/her/its pay in obligations, at the time of placing the order through Dealer. Capstocks shall not be responsible for any claim, loss damage arising out of non availability/ shortage of funds/securities in the Client's account for meeting the pay-in obligation.
- d. In case of phone broking the Client is required to obtain the confirmation/status of the order executed for the day by calling the Dealer with whom he/she/it has placed the order. Capstocks shall send the confirmation of the order executed to the Client, in the address as intimated and no further confirmation shall be given by Capstocks.

### 2. MARGIN:-

#### a. Margins on Derivatives Trading:

In the Derivatives segment, the Client is liable to pay an initial / Delivery margin up-front on or before creating a position. Such margin shall be decided upon by Capstocks or the Exchange from time to time. Furthermore, the Client is liable to pay (or receive) daily margins depending on whether the price of the Derivatives contract moves for or against the position undertaken. The Client may also be liable to pay withholding margins, special margins or such other margins as are considered necessary by Capstocks or the Exchange from time to time. Capstocks is permitted in its sole and absolute discretion to collect additional margins (even though not imposed by the Derivatives Segment, the Clearing House or SEBI) and the Client shall be obliged to pay such margins.

#### b. Mark to Market Margin on Derivatives:

The Client also agrees to pay an upfront margin at the beginning of each week that will be sufficient to cover the daily margins for the entire duration of the week. If at any time during the week, the cumulative Mark to Market (MTM) margin falls short of the margin available in the Client's account, the Client agrees to heed Capstocks additional margin calls. As the upfront weekly margin calls are purely for operational convenience, the Client will ensure that margins are adequate at all time and will immediately make good any shortfall that Capstocks may communicate.

#### c. Payment through Cheque:

In case where the payment by the Client towards the margin is made through cheques, issued in favour of Capstocks, execution of trades by Capstocks may be subject to realization of the said cheques.

#### d. Margin in the form of Securities:

The Client may place margin with Capstocks in the form of securities as approved by Capstocks. Such securities be marked as lien in favor of Capstocks from the depository account of the Client to be earmarked as margin from the Client. Capstocks may at its discretion Repledge such securities to the recognized Stock Exchanges for availing margin on behalf of the said client

#### e. Pledge/Repledge Revocation

In the event of the default by a client of member,

The member shall encash the available collateral including cash, cash equivalent collateral. After encashing the available collateral of the client, the member also be entitled to directly invoke the re-pledged securities of client pledge/repledge to cover its dues

The Constituent Client shall not have any right to proceed in any manner whatsoever against the Exchanges, Clearing Member in respect of the Securities/Commodities/Electronic Warehouse Receipts (EWRs), pledged by the Member, in the event of any dispute between the Constituent and the Member, which may or may not concern Securities/Commodities/Electronic Warehouse Receipts (EWRs), provided by the Constituent.

The Constituent further agrees and confirms that the pledge/repledge created in favor of Exchanges, Clearing Member, by the Member shall not be released or discharged until repayment of the obligation availed by the Member from Clearing Member. The Constituent shall raise no objection to any action taken by Exchanges, against the Member, pursuant to the aforesaid pledge/repledge.e. Intra Day Trading:

The Client, if desirous of availing the day Trading facility being offered by Capstocks shall request Capstocks to extend additional margin after considering the value of the scrips held in Capstocks DP by the Client. The Client understands and agrees that such holdings shall be valued at a value to be fixed at the discretion of Capstocks. The Client hereby authorize Capstocks to sell off any of the scrips at the necessary quantity at Capstocks discretion to make good market loss which occurs while Trading and the timing of such sale and choice of scrip shall be at the absolute choice, discretion and control of Capstocks. And the Client understands, acknowledges and agrees to abide by such sale of shares from DP NC and for such sale no prior notice or intimation is necessary.

**f. Type of Margin:**

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

**g. Shortfall in Margins:**

- (i) If payment/securities towards the Margin or shortfall in Margin is not received instantaneously to enable restoration of sufficient margin in the Client's account, all or some of the position of the Client as well as the securities placed as Margin may be liquidated by Capstocks at its sole discretion, without any reference or prior notice to the Client. The resultant or associated losses that may occur due to such squaring off or sale of securities shall be borne by the Client, and Capstocks is hereby fully indemnified and held harmless by the Client in this behalf. Such liquidation or close out of positions shall apply to any segment in which the Client does business with Capstocks.
- (ii) The Client is responsible for all orders, including any orders that may be executed without the required Margin in the Client's account. If the Client's order is executed despite a shortfall in the available margin, the Client shall, whether or not Capstocks intimates such shortfall in Margin to the Client, instantaneously make up the shortfall either through delivery of shares in the event of a sale or credit the required funds in the bank account via wire or personal cheque, account transfer or any other mode.
- (iii) Any reference in these terms to sale or transfer of securities by Capstocks shall be deemed to include sale of the securities, which form part of the Margin, maintained by the Client with Capstocks. In exercise of Capstocks' right to sell securities under the Agreement, the Client agrees that the choice of specific securities to be sold shall be solely at Capstocks' discretion. (iv) Any amendment in the percentage of margins as required to be maintained under this agreement, shall be intimated by Capstocks to the Client. The Client is required to make replenish the shortfall in such margins, if any, on demand of the same by Capstocks.

**3. DELAYED PAYMENT:**

Notwithstanding anything contained in these presents, any amount which are overdue from the Client towards Trading either in the cash or derivative segments or on account of any other reason to Capstocks or to any Capstocks group or associate companies will be charged, delayed payment charges at the rate of 2% per month or such other rate as may be determined by Capstocks. The Client hereby agrees and authorizes Capstocks to directly debit the same to the account of the Client. The Client also authorizes Capstocks to debit charges for depository services and other applicable charges to the Trading account. The Client agrees that Capstocks may withhold the shares bought on his/her behalf, if payment is delayed by the Client. The value of such shares may be over and above the actual due payable by the Client to Capstocks.

**4. TRADE CONFIRMATION**

Capstocks shall issue the trade confirmation to the Client, in the form of contract note cum bill or otherwise via mail / SMS / fax / courier / Registered A.D / oral communication or otherwise at the postal address, telephone/fax nos. email addresses intimated by the Client to Capstocks. The Client understands that it is his/her/its responsibility to review the trade confirmations, Contract Notes, bills or statements of account immediately upon their receipt. All information contained therein shall be binding upon the Client, if the Client does not object in writing to any of the contents with in twenty four hours of such intimation/ confirmation. In all cases, Capstocks reserves the right to determine the validity of the Client's objection to the transaction. The Client agrees that Capstocks will not be responsible for the non-receipt of the trade confirmation due to any change in the correspondence address/email of the Client and not intimated to Capstocks in writing.

**5. TELE RECORDING:**

The Client is aware that Capstocks may, at its discretion record the conversations between the Client's representative and Capstocks, either personally or over the telephone, or other electronic media and hereby specifically permit Capstocks to do so. Such recordings may be relied upon by Capstocks as and when required to resolve dispute in connection with the trade transactions.



## 6. NOTICES:

1. All notices or communications issued under this agreement shall be served in any one or more or all of the following ways and such notice or communication under (i) to (xiii) below shall be served at the ordinary business address and I or ordinary place of residence and I or last known address of the party in any one or more of the following ways
  - i) by post.
  - ii) by registered post.
  - iii) under certificate of posting.
  - iv) by express delivery post I courier services.
  - v) by telegram.
  - vi) by affixing it on the door at the last known business or residential address.
  - vii) by oral communication to the party or on the last known telephone number or on the recording machine of such number.
  - viii) by advertising it in at least one prominent daily news paper.
  - ix) by notification on website.
  - x) by a notice posted on the notice board of the Exchange if no address be known.
  - xi) by electronic mail or fax or any other electronic networking.
  - xii) SMS
  - xiii) any other accepted mode of communication.
2. Any communication sent by Capstocks to the Client shall be deemed to have been properly delivered or served, even if such communication is returned to Capstocks as unclaimed I refused I undelivered, if the same is sent to the ordinary business address and/or ordinary place of residence and I or last known address of the party, in any one or more of the way as mentioned above

## 7. INDEMNITY:

The Client shall indemnify Capstocks for all transactions undertaken on his/her/its behalf and in particular shall not hold Capstocks liable for the following:

- a. For any transactions using the E-broking Service or otherwise carried out in good faith by Capstocks on instructions issued by or on behalf of the Client.
- b. For the unauthorized usage/unauthorized transactions conducted by using the E-broking Service and/or the Client's account and/or password.
- c. For any loss or damage incurred or suffered by the Client due to any error, defect, failure or interruption in the provision of the E-broking Service arising from or caused by any reason whatsoever.
- d. For any negligence/mistake or misconduct by the Client.
- e. For any breach or non-compliance by the Client of the rules/terms and conditions stated in this Agreement.
- f. For any penalty/ cost levied/ borne by Capstocks due to non-compliance by Client.
- g. For not carrying out any such instructions where Capstocks has reason to believe (which decision of Capstocks the Client shall not question or dispute) that the instructions given are not genuine or are otherwise improper, unclear, vague or raise a doubt or that the Minimum Margin Deposit or margin requirement to process a transaction is not there.
- h. For any incidental, consequential, special or indirect damages including but not limited to lost profits, Trading losses, or damages that result from inconvenience, delay or loss of the use of the service, even if Capstocks has been advised of the possibility of such damages.

## 8. JURISDICTION

All claims, difference or dispute between Capstocks and the Client, arising out of or in relation to dealings, contracts and transactions or with reference to anything incidental thereto made subject to the Bye-laws, Rules and Regulations of the Exchange(s) shall be filed by the applicant at the Regional Arbitration Centre, covering the state in which the Client ordinarily resides. In matters where the Bye-laws, Rules and Regulations of Exchange(s) does not apply, jurisdiction shall lie at the Courts in Thiruvananthapuram, where the registered office of the company is situated.

## ADDITIONAL VOLUNTARY CLAUSES

1. The Client authorizes the Member to debit/maintain a sum of Rs 1000 at all point of time towards charges on the Client's Demat Account and on other services.
2. The Client is aware that as per the RBI guidelines the Foreign Institutional Investors (FIIs), Non-Resident Indians (NRIs), and Persons of Indian Origin (PIOs) are allowed to invest in the secondary capital markets in India through the Portfolio Investment Scheme (PIS). Under this scheme, FIIs / NRIs can acquire shares/ debentures of Indian companies through the Stock Exchanges in India. These investments are governed and monitored on daily basis by the Reserve Bank of India (RBI), On reaching the aggregate ceiling limit as fixed by RBI from time to time, the RBI advises all designated bank branches to stop purchases on behalf of their FIIs / NRIs / PIOs Clients. The Reserve Bank also informs the general public about the 'caution' and the 'stop purchase' in these companies through a press release. If the Client is an FII / NRI / PIO, the Client hereby acknowledges that he/she is aware of the RBI guidelines in relation to his investments in the secondary market in India. The Client hereby agrees to keep himself / herself abreast of the ceiling limits on investments as published by RBI from time to time and also agrees that he/she shall immediately reverse his/her transaction, if such transaction breaches the ceiling limits as imposed by RBI. In case the Client does not / is unable to reverse such transaction immediately, the Client authorizes the Member to do so under intimation to the Client.
3. The Client agrees and confirms that though orders are generally routed to the market place immediately after the time the order is placed by the Client on the system there may be a delay in the execution of the order due to any link/system failure at the Client/Member/Exchange's end. The Client hereby specifically indemnifies and holds the Member harmless from any and all claims, and agrees that the Member shall not be liable for any loss, loss of profit, actual or perceived, caused directly or indirectly by government restriction, Exchange or market regulation, suspension of Trading, war, strike, equipment failure, communication line failure, system failure, security failure on the Internet, shut down of systems for any reason (including on account of computer viruses), unauthorised access, theft or otherwise or any problem, technological or otherwise, that might prevent the Client from contacting.
4. The Client further confirms and agrees that Client will not be compensated by the Member for any "lost opportunity" viz. notional profits on buy/sell orders which could not be executed due to any reason whatsoever, including but not limited due to time lag in the execution of the order or the speed at which the system of the Member or of the Exchanges is operating, any shutting down by the Member of his/her/its system for any reason or the Member disabling the Client from Trading on its system for any reason whatsoever.
5. The Client hereby acknowledges that it/he/she is availing the Payment Instruction Service at it/his/her risk. These risks would include but not be limited to the following risks.
  - a) Misuse of Password: The Client acknowledges that if any third person obtains access to their password of the Client, such third person would be able to provide Payment Instructions to the Member. They shall ensure that the terms and conditions applicable to the use of the password as contained in the Electronic Payment Gateway for Net Banking Terms and Conditions are complied with at all times. \
  - (b) Internet Frauds: Internet is susceptible to a number of frauds, misuse, hacking and other actions, which could affect Payment Instructions to the Member. Whilst the Member shall aim to provide security to prevent the same, there cannot be any Guardianantee from such Internet frauds, hacking and other actions, which could affect Payment Instructions to the Member. The Client shall separately evolve/evaluate all risks arising out of the same.
  - (c) Mistakes and Errors: The filling in of applicable data for transfer would require proper, accurate and complete details. For instance, the Client is aware that they would be required to fill in the account number of the Member to whom the funds are to be transferred. In the event of any inaccuracy in this regard, the funds could be transferred to incorrect accounts and there is no Guardianantee of recovery thereafter. The Client shall therefore take all care to ensure that there are no mistakes and errors and that the information given by the Client to the Member in this regard is error free, accurate, proper and complete at all points of time. On the other hand in the event of account receiving an incorrect credit by reason of a mistake committed by some other person, the Member or the bank shall be entitled to reverse the incorrect credit at any time whatsoever without the consent of the Client. The Client shall be liable and responsible to the Member and accede to accept the Member's instructions without questions for any unfair or unjust gain obtained by the Client as a result of the same.
6. The Client acknowledge that Member has the right- to suspend operation of the website and online systems at any time (including in the opinion of the Member, some threat is poses to any system or part of any system). The Client also acknowledges that Member will be able to suspend the operation of website and online systems at regular intervals for periodic maintenance and administration tasks. If online system is unavailable through a technical fault Client can avail Call-And- Trade facility during normal Trading hours.
7. The Client confirms and agrees that in case anyone or more of the terms and conditions confirmed by the Client becomes invalid, illegal or unenforceable in any respect under any law the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereto.




I/We have read and understood the voluntary clauses & additional voluntary clauses mentioned hereinabove.

  
Signature of Applicant/ First Holder

## 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/We am/are aware that I/ we may be held liable for it.
2. I/We confirm having read/been explained and understood the contents of these document on Policy and Procedures of the Stock Broker and the Tariff sheet.
3. I/We confirm having received a hard copy of the following documents and further confirm having read and understood the contents of these documents:-
  - a. Rights and Obligations of Stock Broker, Sub Broker and Client as prescribed by SEBI and Stock Exchange.
  - b. Rights and Obligations of Beneficial Owner and Depository Participant as prescribed by SEBI and Depositories.
  - c. Risk disclosure Document for Capital, Derivatives Segment and Commodity
  - d. Guidance Note - Do's and Dont's for Trading on the Exchange(s) for Investors.
  - e. Policies and Procedures applicable to Clients.
4. 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.
5. I/We further understand that any change in the said documents including the "Policies and Procedures" shall be made available on the website of Capstocks and also intimated to me through circulars in Internet Trading platform /e-mails. I/We shall keep myself updated of the same.
6. I have received and read the Rights and Obligations document and terms & conditions and agree to abide by and be bound by the same and by the Bye Laws of CCRL as are in force from time to time. I declare that the particulars given me above are true and to the best of my knowledge as on the date of making this application, I agree and undertake to intimate the RP any change(S) in the details / Particulars mentioned by me in this form. I further agrees that any false / misleading information given by me or suppression of any material information will render my account liable for termination and suitable action.

## SIGNED AND DELEVERED

I <sup>st</sup> Holder Name: .....	 12
II <sup>nd</sup> Holder Name: .....	 8
III <sup>rd</sup> Holder Name: .....	 8

**RUNNING ACCOUNT AUTHORISATION**

From  
Clnet Name:.....  
Clilent Code :.....

To  
**M/s Capstocks & Securites (Inida) Pvt. Ltd.**  
**Capstocks Towers**  
**Thakaraparambu Road, Fort P.O.**  
**Thiruvananthapuram - 695 023**

Dear Sir,

Sub: Running Account Authorisation - reg

I/We are dealing through you as a Client in Capital Market and/or Futures & Option segment and/or Currency segment and/ or Interest Rate future Segment. In order to facilitate ease of operations and upfront requirement of margin for trade, I / We authorize you as under:

- 1 I/We request you to maintain running balance in my/our account & retain the credit balance in any of my/our account and to use the unused funds towards my/our margin/pay-in/other future obligation(s) at any segment(s) of any or all the Exchange(s) / Clearing corporation, unless I/we instruct you otherwise.
- 2 I/We request you to retain Funds with you for my/our margin/pay-in/other-future obligation(s) at any segment(s) of any or all the Exchange(s) / Clearing Corporation, unless I/we instruct you to transfer the same to my/our account.
- 3 I/We understand and agree that no interest will be payable to me/us on the amounts so retained with you.
- 4 I/We request you to settle my/our fund \*Once in every Calendar Month / Once in a Calendar Quarter or such other higher period as allowed by SEBI / Stock Exchange(s) from time to time, except the funds given towards collateral / towards collateral / margin in the form of Bank Guardianantee and / or Fixed Deposit Receipt.
- 5 In case I/We have an outstanding obligation on the settlement date, you may retain the requisite securities/funds towards such obligations and may also retain the funds expected to be required to meet margin obligations for next 5 (five) Trading days, calculated in the manner specified by the Exchange(s).
- 6 I/We confirm that I/ We will bring to your notice any dispute arising from the statement of account sent to me/us or from my/our account, available on Capstocks website ([www.Capstocks.com](http://www.Capstocks.com) / [www.Capstocksindia.com](http://www.Capstocksindia.com)) and inform you in writing, within 7 (Seven) working days from the date of receipt of statement of account as the case may be, at your registered office address. After that I/we shall have no right whatsoever, to dispute the transaction, funds and further agree that you shall not be liable for any incidental loss/damage, caused due to retention of funds.
- 7 I/We confirm you that I/We can revoke the above mentioned authority immediately by giving notice in writing to you.
- 8 I/We accord my consent to Capstocks to retain upto 10,000 (across segment and across Stock Exchanges) for the purpose of settling my Trading account.

Thanking You  
Yours truly

Date:.....  
Place:.....



Signature of Applicant/ First Holder

**ELECTRONIC CONTRACT NOTE - DECLARATION (VOLUNTARY)**

From  
 Client Name:.....  
 Client Code :.....

To  
**M/s Capstocks & Securites (Inida) Pvt. Ltd.**  
**Capstocks Towers**  
**Thakaraparambu Road, Fort P.O.**  
**Thiruvananthapuram - 695 023**

Dear Sir,

**Sub: Issuance of Electronic Contract Note - reg**

I.....a Client with  
 M/s .....member of various stock Exchange(s) undertake as follows:

- 1 I/We are aware that the Member has to provide Physical Contract Notes, in respect of all the trades placed by me/us unless I/ We, want the same in the Electronic form.
- 2 I/We are aware that it is inconvenient for me/us to receive Physical Contract Notes, hence hereby voluntarily requesting for delivery of Electronic Contract Notes (ECN), pertaining to all the trades carried out / ordered, by me/us.
- 3 I/We have access to a computer and am/are a regular Internet user, having sufficient knowledge of handling Email transactions.
- 4 I/We hereby state that my/our Email Id is and the above ID has been created by me/us, and not by any other person.
- 5 I/We shall completely rely on the log reports of your dispatching software as a conclusive proof of dispatch of Email to me /us and will not dispute the same.
- 6 I/We request you not to provide me / us, Order confirmation / Modification / Cancellation / Trade Confirmation Slips, to avoid unnecessary paper work and I / We shall obtain the required details from the Contract Notes issued in the Electronic Form
- 7 I/We are aware that non-receipt of bounced mail notification by the Member shall amount to delivery of the ECN, at the above E-mail Id. \
- 8 I/We are aware that this declaration / statement should be in English or any other Indian language known to me/us

(The above Declaration and the Guidelines on ECN given in the Annexure have been read and understood by me/us. I/We are aware of the risk involved in dispensing with the Physical Contract Note, and do hereby take full responsibility for the same)

Date  
 Place



Signature of Applicant/ First Holder

Verification of the Client signature done by,

Name:

Signature

Intentionally left Blank

## POWER OF ATTORNEY

To all to Whom these presents shall come I/We, (1<sup>st</sup> holder) .....

residing/having registered office at .....

.....

(2nd holder) .....

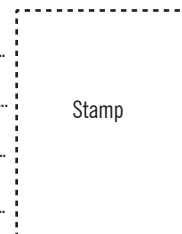
residing/having registered office at .....

.....

(3rd holder) .....

residing/having registered office at .....

.....



Whereas I/We hold Beneficial Owner Account Number 1 2 0 2 9 8 0 0.....with Central Depository Services (India) Limited (CDSL), through Capstocks & Securities (India) Pvt. Ltd (SEBI Reg. No. IN-DP CDSL 203 2003), registered with Securities and Exchange Board of India (SEBI), bearing DP - ID 12029800, and having its registered office at T.C 83/2956,2957,2958, Capstocks Towers, Thakaraparambu Road, Fort P.O., Thiruvananthapuram 695 023

**And Whereas** I/We am/are desirous to buy and sell securities including mutual funds through Capstocks & Securities (India) Pvt. Ltd, who is a Trading Member/Depository Participant, registered with SEBI and Member of recognized Stock Exchange/s (SEBI Reg. No: INZ000165931).

**And Whereas** I/We am/are desirous of appointing Capstocks & Securities (India) Pvt Ltd as my/our constituted Attorney to operate my/our Beneficial Owner Account on my/our behalf, for a limited purpose, in the manner hereinafter appearing and subject to conditions, as provided herein:

**Now know you all** and these presents witness that I/We do hereby nominate, constitute and appoint Capstocks and Securities (India) Pvt Ltd (hereinafter referred to as “the Trading Member”) as my ture and lawful attorney and authorize it to perform the following functions on my behalf:

1. To Transfer securities including mutual funds held in my/our, aforementioned Beneficial Owner account(s) or any other account informed by me/us, in writing to the Trading Member, from time, to time to the following Demat Account No(s) of the Trading Member/Clearing Member, maintained for the purpose of settlement of trades, arising out of my/our, trades/transactions.
2. To Pledge the Securities in favor of the Trading Member for the limited purpose of meeting, my /our margin requirements, in connection with the trades executed by me/us, on any recognized Stock Exchange, through the Stock Broker /Trading Member.
3. To Re Pledge such Securities to the Clearing Member/Clearing Corporation, as the case may be for the purpose of my/our margin requirements, against the trades executed by me/us, on any recognized Stock Exchange, through the Trading Member/Stock Broker.

Name of the Stock Brokers and Depository Participants	Account No. of the Stock Brokers and Depository Participants	
Capstocks & Securities (India) Pvt. Ltd.	1202980000011106	CM NSE
Capstocks & Securities (India) Pvt. Ltd.	1202980000101255	CM BSE
Capstocks & Securities (India) Pvt. Ltd.	1100011000015825	NSE-EARLY PAY IN
Capstocks & Securities (India) Pvt. Ltd.	1100001000014333	BSE-EARLY PAY IN
Capstocks & Securities (India) Pvt. Ltd.	11674	CM ID-NSE
Capstocks & Securities (India) Pvt. Ltd.	3086	CM ID-BSE
Capstocks & Securities (India) Pvt. Ltd.	IN511898 10505455	CM - BP - ID - NSE
Capstocks & Securities (India) Pvt. Ltd.	IN630867 11549150	CM - BP - ID - BSE
Capstocks & Securities (India) Pvt. Ltd.	1202980000433723	Client Unpaid Securities Account (CUSA)-CDSL
Capstocks & Securities (India) Pvt. Ltd.	IN526563 16138648	Client Unpaid Securities Account (CUSA)-NSDL
Capstocks & Securities (India) Pvt. Ltd.	1202980000433626	CM/TM collateral Account CDSL
Capstocks & Securities (India) Pvt. Ltd.	1202980000434385	Client collateral Account CDSL
Capstocks & Securities (India) Pvt. Ltd.	IN300239 16138074	Client collateral Account NSDL
Capstocks & Securities (India) Pvt. Ltd.	1202980000435809	PMS Pool Account
Capstocks & Securities (India) Pvt. Ltd.	1202980000426338	SLBM - CM
Capstocks & Securities (India) Pvt Ltd	1202980000443267	TM/CM CMPA Client Securities Margin pledge Account

4. To return to me/us, the securities including mutual funds that may have been received by the Trading Member erroneously or those securities including mutual funds of funds that the trading member was not entitled to receive from me/us.
5. To send consolidated summary of my/our scrip-wise buy and sell positions taken with average rates to me/us by way of SMS/email on daily basis notwithstanding any other document to be disseminated as specified by SEBI, from time to time.
6. To apply for various products like Mutual funds, Public issues (shares as well as debentures) rights, offer of shares, tendering shares in open offers etc pursuant to oral/written/electronic instructions given by me/us to the Stock Broker.

I /we further agree and confirm that the powers and authorities conferred by this Power of Attorney shall continue until it is revoked (without notice) in writing by me/us and that the said revocation shall be effective from the date on which the revocation notice is received by the Trading Member/Depository Participant, in its registered office.

Signed and Delivered on this .....day of .....20.....at .....

Signed and delivered By the within named Beneficial Owner/s  Shri 1: .....  Shri 2: .....  Shri 3: .....   In the presence of .....	I <sup>st</sup> Holder: .....  15  II <sup>nd</sup> Holder: .....  9  III <sup>rd</sup> Holder: .....  9  Witness: Signature: Address:
--	--

I Accept

Signed and delivered By the within named Stock Broker/Participant, Capstocks & Securities (India) Pvt. Ltd.	For authorised representative of Capstocks & Securities (India) Pvt. Ltd.
By the Hand of authorised representative  Shri: .....  In the presence of .....	Signature :  Witness: Signature: Address:

**FOR OFFICE USE ONLY**

Trading Code		POA Reg. No.	
Group ID	220298000000019	Internal Reference No.	



**TERMS AND CONDITIONS-CUM-REGISTRATION/ MODIFICATION FORM FOR RECEIVING SMS ALERTS FROM CDSL**

**[SMS Alerts will be sent by CDSL to BOs for all debits]**

**Definitions:**

In these Terms and Conditions the terms shall have following meaning unless indicated otherwise:

1. "Depository" means Central Depository Services (India) Limited a company incorporated in India under the Companies Act 1956 and having its registered office at 17th Floor, P.J. Towers, Dalal Street, Fort, Mumbai 400001 and all its branch offices and includes its successors and assigns.
2. 'DP' means Depository Participant of CDSL. The term covers all types of DPs who are allowed to open Demat Accounts for investors.
3. 'BO' means an entity that has opened a Demat Account with the depository. The term covers all types of Demat Accounts, which can be opened with a depository as specified by the depository from time to time.
4. SMS means "Short Messaging Service"
5. "Alerts" means a customized SMS sent to the BO over the said mobile phone number.
6. "Service Provider" means a cellular service provider(s) with whom the depository has entered / will be entering into an arrangement for providing the SMS alerts to the BO.
7. "Service" means the service of providing SMS alerts to the BO on best effort basis as per these terms and conditions.

**Availability:**

1. The service will be provided to the BO at his / her request and at the discretion of the depository. The service will be available to those accountholders who have provided their mobile numbers to the depository through their DP. The services may be discontinued for a specific period / indefinite period, with or without issuing any prior notice for the purpose of security reasons or system maintenance or for such other reasons as may be warranted. The depository may also discontinue the service at any time without giving prior notice for any reason whatsoever.
2. The service is currently available to the BOs who are residing in India.
3. The alerts will be provided to the BOs only if they remain within the range of the service provider's service area or within the range forming part of the roaming network of the service provider.
4. In case of joint accounts and non-individual accounts the service will be available, only to one mobile number i.e. to the mobile number as submitted at the time of registration / modification.
5. The BO is responsible for promptly intimating to the depository in the prescribed manner any change in mobile number, or loss of handset, on which the BO wants to receive the alerts from the depository. In case of change in mobile number not intimated to the depository, the SMS alerts will continue to be sent to the last registered mobile phone number. The BO agrees to indemnify the depository for any loss or damage suffered by it on account of SMS alerts sent on such mobile number.

**Receiving Alerts:**

1. The depository shall send the alerts to the mobile phone number provided by the BO while registering for the service or to any such number replaced and informed by the BO from time to time. Upon such registration / change, the depository shall make every effort to update the change in mobile number within a reasonable period of time. The depository shall not be responsible for any event of delay or loss of message in this regard.
2. The BO acknowledges that the alerts will be received only if the mobile phone is in 'ON' and in a mode to receive the SMS. If the mobile phone is in 'Off' mode i.e. unable to receive the alerts then the BO may not get / get after delay any alerts sent during such period.
3. The BO also acknowledges that the readability, accuracy and timeliness of providing the service depend on many factors including the infrastructure, connectivity of the service provider. The depository shall not be responsible for any non-delivery, delayed delivery or distortion of the alert in any way whatsoever.
4. The BO further acknowledges that the service provided to him is an additional facility provided for his convenience and is susceptible to error, omission and/ or inaccuracy. In case the BO observes any error in the information provided in the alert, the BO shall inform the depository and/ or the DP immediately in writing and the depository will make best possible efforts to rectify the error as early as possible. The BO shall not hold the depository liable for any loss, damages, etc. that may be incurred/ suffered by the BO on account of opting to avail SMS alerts facility.
5. The BO authorizes the depository to send any message such as promotional, greeting or any other message that the depository may consider appropriate, to the BO. The BO agrees to an ongoing confirmation for use of Name, email address and mobile number for marketing offers between CDSL and any other entity.
6. The BO agrees to inform the depository and DP in writing of any unauthorized debit to his BO account/ unauthorized transfer of securities from his BO account, immediately, which may come to his knowledge on receiving SMS alerts. The BO may send an email to CDSL at [complaints@cdslindia.com](mailto:complaints@cdslindia.com). The BO is advised not to inform the service provider about any such unauthorized debit to/ transfer of securities from his BO account by sending a SMS back to the service provider as there is no reverse communication between the service provider and the depository.
7. The information sent as an alert on the mobile phone number shall be deemed to have been received by the BO and the depository shall not be under any obligation to confirm the authenticity of the person(s) receiving the alert.
8. The depository will make best efforts to provide the service. The BO cannot hold the depository liable for non-availability of the service in any manner whatsoever.
9. If the BO finds that the information such as mobile number etc., has been changed with out proper authorization, the BO should immediately inform the DP in writing.

**Fees:**

Depository reserves the right to charge such fees from time to time as it deems fit for providing this service to the BO. Disclaimer: The depository shall make reasonable efforts to ensure that the BO's personal information is kept confidential. The depository does not warranty the confidentiality or security of the SMS alerts transmitted through a service provider. Further, the depository makes no warranty or representation of any kind in relation to the system and the network or their function or their performance or for any loss or damage whenever and howsoever suffered or incurred by the BO or by any person resulting from or in connection with availing of SMS alerts facility. The Depository gives no warranty with respect to the quality of the service provided by the service provider. The Depository will not be liable for any unauthorized use or access to the information and/ or SMS alert sent on the mobile phone number of the BO or for fraudulent, duplicate or erroneous use/ misuse of such information by any third person.

**Liability and Indemnity:**

The Depository shall not be liable for any breach of confidentiality by the service provider or by any third person due to unauthorized access to the information meant for the BO. In consideration of the depository providing the service, the BO agrees to indemnify and keep safe, harmless and indemnified the depository and its officials from any damages, claims, demands, proceedings, loss, cost, charges and expenses whatsoever which a depository may at any time incur, sustain, suffer or be put to as a consequence of or arising out of interference with or misuse, improper or fraudulent use of the service by the BO.

suffer or be put to as a consequence of or arising out of interference with or misuse, improper or fraudulent use of the service by the BO.

**Amendments:**

The depository may amend the terms and conditions at any time with or without giving any prior notice to the BOs. Any such amendments shall be binding on the BOs who are already registered as user of this service.

**Governing Law and Jurisdiction:**

Providing the Service as outlined above shall be governed by the laws of India and will be subject to the exclusive jurisdiction of the courts in Mumbai. I/We wish to avail the SMS Alerts facility provided by the depository on my/our mobile number provided in the registration form subject to the terms and conditions mentioned below. I/ We consent to CDSL providing to the service provider such information pertaining to account/transactions in my/our account as is necessary for the purposes of generating SMS Alerts by service provider, to be sent to the said mobile number. I/We have read and understood the terms and conditions mentioned above and agree to abide by them and any amendments thereto made by the depository from time to time. I/ we further undertake to pay fee/ charges as may be levied by the depository from time to time. I / We further understand that the SMS alerts would be sent for a maximum four ISINs at a time. If more than four debits take place, the BOs would be required to take up the matter with their DP. I/We am/ are aware that mere acceptance of the registration form does not imply in any way that the request has been accepted by the depository for providing the service.

I/We provide the following information for the purpose of REGISTRATION / MODIFICATION (Please cancel out what is not applicable).

BO ID	1	2	0	2	9	8	0	0										
	(Please write your 8 digit DPID)								(Please write your 8 digit Client ID)									

I<sup>st</sup> Holder Name: .....

II<sup>nd</sup> Holder Name: .....

III<sup>rd</sup> Holder Name: .....

Mobile Number : +91 .....

The Mobile Number is registered in the Name of : .....

Email ID: .....

(Please write only ONE valid email ID on which communication; if any, is to be sent)

 16  
First/Sole Holder Signature

 10  
Second Holder Signature

 10  
Third Holder Signature

**OPTION FORM FOR ISSUE OF DIS BOOKLET**

BO ID 

1	2	0	2	9	8	0	0								
---	---	---	---	---	---	---	---	--	--	--	--	--	--	--	--

 Date 

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

I<sup>st</sup> Holder Name: .....

II<sup>nd</sup> Holder Name: .....

III<sup>rd</sup> Holder Name: .....

To  
M/s Capstocks & Securites (Inida) Pvt. Ltd.  
T.C. 83/2956,2957,2958, Capstocks Towers  
Thakaraparambu Road, Fort P.O., Thiruvananthapuram, Kerala - 695 023




Dear Sir/Madam,  
I/We hereby state that: [Select one of the options given below]

**Option: 1**

I/We require you to issue Delivery Instruction Slip (DIS) booklet to me / is immediately on opening my / our CDSL account though I/We have issued a Power of Attorney (POA) executed PMS agreement in favour of /with Capstocks for executing delivery instructions for setting Stock Exchange trades (settlement related transactions) effected through such Clearing Member/by PMS manager

**Option: 1**

I/We do not require you to issue Delivery Instruction Slip (DIS) for the time being, since I/We have issued a POA/ executed PMS agreement in favor of /with Capstocks for executing delivery instructions for setting Stock Exchange trades (settlement related transactions) effected through such Clearing Member / by PMS manager. However, the Delivery Instruction Slip (DIS) booklet should be issued to me /us immediately on my / our request at any later date.  
Yours Faithfully

	Sole/First Holder	Second Holder	Third Holder
Name			
Signature	 17	 11	 11

Option for receiving following documents  Electronic  Physical

1. Right & obligation 2. Risk Disclosure documents 3. Do's & Dont's

----- (Please Tear Here) -----

Received OPTION FORM FOR ISSUE/NON ISSUE OF DIS BOOKLET

BO ID 

1	2	0	2	9	8	0	0								
---	---	---	---	---	---	---	---	--	--	--	--	--	--	--	--

I<sup>st</sup> Holder Name: .....

II<sup>nd</sup> Holder Name: .....

III<sup>rd</sup> Holder Name: .....

**Depository Participant Seal Signature**

Intentionally left Blank

**FATCA / CRS DECLARATION FORM**

(Please consult your professional tax advisor for further guidance on your tax residency, if required)

**CLIENT DETAILS**

DP ID	1	2	0	2	9	8	0	0											<b>Client code</b>	
Name of First /Sole holder																				
Name fo Second holder																				
Name of Third holder																				

**STATUS DETAILS**

	First /Sold holder	Second holder	Thrid holder	Guardian
Place of Birth				
Country of Birth				
Nationality				
Are you an US person	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
*Are you a tax resident of any country other than India?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
If yes, please indicate all countries in which you are resident for tax purposes and the associated tax ID Numbers below:				
Tax Identification (TIN)				
Country Issue				

\*Submit Form W9 if you are a US person & W8 Ben for Non US person

**POLITICALLY EXPOSED PERSON (PEP) DETAILS**

First /Sold holder	<input type="checkbox"/> PEP <input type="checkbox"/> Related to PEF <input type="checkbox"/> Not Applicable	Thrid holder	<input type="checkbox"/> PEP <input type="checkbox"/> Related to PEF <input type="checkbox"/> Not Applicable
Second holder	<input type="checkbox"/> PEP <input type="checkbox"/> Related to PEF <input type="checkbox"/> Not Applicable	Guardian	<input type="checkbox"/> PEP <input type="checkbox"/> Related to PEF <input type="checkbox"/> Not Applicable

**DECLARATION**

- I/We hereby certify that I/we have declared my/our status as per the applicable FATCA/CRS rules in India as notified by Government of India (GOI)/ Central Board of Direct Taxes (CBDT) / Securities and Exchange Board of India (SEBI)/Reserve Bank Of India (RBI).
- I/We acknowledge and confirm that the information provided above is true and correct to the best of my/our knowledge and belief and that I/we have not withheld any material information/ document, that may affect the assessment/categorization of the account as a US Reportable account/ other Reportable account or otherwise.
- I/We undertake the responsibility to declare, disclose and rectify within 30 days any changes that may take place in the information provided in the account opening form and signed by me/us as well as in the documentary evidence provided by me/us or if any certification becomes incorrect.
- I/We hereby authorize you to disclose, share, remit in any form, mode or manner, all / any of the information provided by me/us, including all changes, updates to such information as and when provided by me/us to any Indian Of foreign governmental or statutory or judicial authorities / agencies including but not limited to the Financial Intelligence Unit India (FIUIND), the tax /revenue authorities in India or outside India wherever it is legally required and other investigation agencies without any obligation of advising me/us of the same.
- I/We also agree that my / our failure to disclose any material fact known tome/us now or in future, may invalidate my/our application and CAPSTOCKS would be within its right to put restrictions in the operations of my/our account or take appropriate action permissible under the Indian regulations for the purpose or take any other action as may deemed appropriate if the deficiency is not updated /rectified by me/us within the stipulated period.

6. I/We agree to furnish any particular/ information that is called upon me/us by CAPSTOCKS account of any change to law either in India or abroad in the subject matter herein.
7. In the event there is any tax demand (including interest (if any)) raised due to nondisclosure/inaccurate disclosure of information/document on my/our part, I/we undertake to pay the demand forthwith and provide CAPSTOCKS all information documents that may be necessary for any proceedings before GOI/RBI/SEBI income tax Authorities.
8. I/We permit/authorize CAPSTOCKS to collect, store, c communicate and process information relating to my / our account with them and all transactions therein, by CAPSTOCKS and any of its affiliates wherever situated including sharing, transfer and disclosure between them and to the authorities in and/or outside India of any confidential Information for compliance with any law or regulation whether domestic or foreign.
9. I/We also understand that the account will be reported if any one of the aforesaid FATCA / CRS criteria for any of the account holders i.e. primary or joint (in case of demat account) are met.

 18

Signature of First / Sole holder / Guardian

 12

Signature of Second holder

 12

Signature of Third holder

**FOR OFFICE USE ONLY**

I have verified the US status classification

Employee Name: ..... Employee Code:.....

Designation: ..... Date:.....

Signature 

## UNDERTAKING FROM CLIENT IN F&O/CD/COMMODITIES SEGMENT FOR AVAILING EXPOSURE AGAINST HOLDINGS

I, Mr / Ms ..... aged.....

S, D, W of .....

residing at.....

.....hereby undertake as follows:

1. I/We have registered myself / Ourself as a Client of M/s Capstocks & Securities India Pvt Ltd and the Client Code allotted to me is
2. I/We have opted to avail Exposure against holdings (of approved scrips as per Capstocks policy) in the F&O/ CD / Commodity segment. I am aware and agree that Trading in F&O / CD / Commodity involves daily settlement of MTM losses and failure on my part to remit the same may result in the sale of the holdings, by Capstocks.
3. I/We am aware that whenever there is failure on my part to pay margin, Capstocks shall be entitled to pass on the actual penalty imposed by the Exchange for such short margin, to my account.
4. I/We am /are also aware of the market volatility, consequent to which I/We may be called upon to pay additional margin to the company. In the event of my failure to meet such enhanced margin requirements, within the stipulated time frame, Capstocks shall be entitled to close out my positions and to recover any loss/ debit in my account by selling off the said holdings, from my DP account. The Execution of sale/ Fixation of price / Timing of sale etc shall be at the sole discretion of Capstocks.
5. I/We affirm that I/We shall not raise any claim / dispute against Capstocks, for liquidation of my/our holdings / positions & imposition of penalty, for shortage of margin. Further, any and all losses / financial charges on account of my failure / default, to meet margin obligations shall be charged to and borne by me/us.

Place:



Signature of Applicant / First holder

## CLIENT DECLARATION FOR SHARING SAME EMAIL ID / MOBILE

I/We,..... request you to kindly use the below mentioned mobile numbers & email id for respective accounts as the said accounts belongs to my family members.

I/We, understand that it has been mandated by SEBI that separate mobile number and e-mail address is to be uploaded for each Client. Further to this, under exceptional circumstances, the Depository Participants may, at the specific written request, upload the same mobile number/E -mail address for more than one account provided such accounts belong to one family.

**"Family" for this purpose would mean self, spouse, dependent children and dependent parents.\***

### DECLARATION

I/We hereby declare that the below mentioned details belong to my/our immediate family and if any discrepancies arise I/We, shall be held responsible for the same.

DP ID		Client Code	
Name of account holder			
<input type="checkbox"/> Mobile Number			
<input type="checkbox"/> E Mail ID			
Family member's Client code whose e-mail id / mobile is shared			
Society Relationship with Client code		<input type="checkbox"/> Self <input type="checkbox"/> Spouse <input type="checkbox"/> Mother's <input type="checkbox"/> Father <input type="checkbox"/> Daughter <input type="checkbox"/> Son	
Signature of account holder			
Signature of member			

Date:

Place:

\* Please note that following relationships are not allow sister/ brother / father in law / Mother's in law



## CATEGORY OF PARTICIPANT IN COMMODITIES

I/We ..... am/are aware that SEBI vide circular No. SEB/HO/CDMRD/DNPMP/CIR/P/2019/08 dated January 04, 2019 requires categorization of all clients trading in Commodity Derivatives, as part of disclosure by Stock Exchanges for Commodity Derivatives.

I/We do hereby declare that I/We am/ are a Client participant having office/residence at.....  
.....is/are having a Client Code .....

with M/s Capstocks & Securities (India) Pvt. Ltd. having registered office at Capstocks Towers, Thakaraparambu Road, Fort P.O., Thiruvananthapuram 695 023

That I/We also declare that, I/We belong to the below mentioned category of Participant.

Sr. No.	Symbol Description	Farmer/ FPOS	Value Chain Participants (VCPs)	Proprietary trades	domestic Financial Institutional Investros	Foreign Participants	Others
1	Aluminium						
2	Brass						
3	Cardamom						
4	Castorseed						
5	Copper						
6	Cotton						
7	Crupalmoil						
8	Crude Oil						
9	Gold						
10	Lead						
11	Menthaoil						
12	Natural Gas						
13	Nickel						
14	Pepper						
15	Rbdpalm						
16	Rubber						
17	Silver						
18	Zinc						
19	Kapas						
20	Mcxbulldex						
21	Mcxbulldex						
22							
23							

## DECLARATION

That the facts stated above are true and correct to the best of my/our knowledge and belief.

Dated this the ..... day of .....20

I also give my consent to upload the information to the respective commodity exchanges.

\*1) Farmers/FPOs : It includes participants such as farmers, farmers' cooperatives, Farmers Producers Organisations (FPOs)

2) Value chain participants (VCPs) : It includes participants such as Processors, Commercial users as Dal and Flour Milers, Importers, Exporters, physical Market Traders, Stockists, Cash & Carry Participants, Produces, SMEs/MSMEs & Wholesalers etc., but exclude farmers/FPOs.

3) Proprietary traders : It includes the members of stock exchanges trading in their proprietary account.

4) Domestic financial institutional investors : It includes participants such as Mutual Funds (MFs), Portfolio Mangers, Alternative investment Funds (AIFs) Banks, Insurance Companies and Pension Funds etc.,

5) Foreign participants : It includes participants such as Eligible Foreign Entities (EFEs), NRIs etc. which are allowed to trade in commodity derivatives markets.

6) Others : All other participants which cannot be classified in the above categories.

Client Code: .....

Client Name : .....



Signature of Applicant / Fist holder

### FOR OFFICE USE

Letter of undertaking of Capstocks representative

I ..... (Emp. ID .....) hereby undertake that the details of the Client given hereinafter are complete in all respect. I hereby undertake that, I have checked the following details and will be responsible for any incomplete/ inappropriate details of the Client.

### FOR OFFICE USE

SI.No.	Checklist	(✓)
1	Recent Photograph of Client/Constituent'	
2	Pan Proof	
3	Address Proof (Please chek that address and other details are clear and proof has not crossed its expriry / validity date, if any)	
4	Bank Proof containing Name, address and bank account./ cancelled cheque having Name of the account holder	
5	In case of NRI	
	a) Photocopy of permission letter issued by RBI/PIS permission letter from an authorised dealer	
	b) Verified copy of proof of both local as well as Foreign address	
	c) Copy of Passport	
	d) Valid visa or work permit	
	e) Bank proof - NRE/NRO saving account	
	f) In-person verification by Indian embassy/Capstocks officials.	
6	Cancelled cheque for MICR & IFSC verification	
7	Verified the photocopies of proofs with original and affix 'verified against original' stamp (in case of PAN proof 'Pan verifife' stamp) on all the photocopies of proofs with his/her signature and employee code.	
8	Witness are done wherever required on the document.	
9	All manatory fields are filled up together with introducer/interviewer's details.	
10	Signatures of Client are done at designated places.	

I have read and understood that if any opf the requierements is not fulfilled then penalty of ₹ 500/- would be charged to me or any other action may be taken as deemed fit by the Management, for non compliance from my end.

Name: ..... Signature: .....

Audited by:

## I. Money Laundering

### 1. What is money laundering?

Money laundering is the process of moving illegally acquired cash through financial systems so that it appears to be legally acquired. Money laundering has recently gained urgency of attention due to its links with terrorist activities. In 2000, black money was estimated to account for more than 40% of India's GDP (approximately \$150 billion). According to Swiss Banking Association Report, 2006 an amount 13 times larger than India's Foreign debt ie USD 1500 billion has been alleged to have been laundered by Indians, in Swiss Banks.

### 2. How does money laundering affect business?

The integrity of the banking and financial services market place, depends heavily on the perception that it functions within a framework of high legal, professional and ethical standards. A reputation for integrity is the one of the most valuable assets of a financial institution. If funds from criminal activity can be easily processed through a particular institution - either because its employees or directors have been bribed or because the institution turns a blind eye to the criminal nature of such funds - the institution could be drawn into active complicity with criminals and become part of the criminal network itself. Evidence of such complicity will have a damaging effect on the attitudes of other financial intermediaries and of regulatory authorities, as well as ordinary customers. As for the potential negative macroeconomic consequences of unchecked money laundering, one can cite inexplicable changes in money demand, prudential risks to bank soundness, contamination effects on legal financial transactions, and increased volatility of international capital flows and Exchange rates due to unanticipated cross-border asset transfers. Also, as it rewards corruption and crime, successful money laundering damages the integrity of the entire society and undermines democracy and the rule of the law.

### 3. What is the connection with society at large?

The possible social and political costs of money laundering, if left unchecked or dealt with ineffectively, are serious. Organised crime can infiltrate financial institutions, acquire control of large sectors of the economy through investment, or offer bribes to public officials and indeed governments.

The economic and political influence of criminal organisations can weaken the social fabric, collective ethical standards, and ultimately the democratic institutions of society. In countries transitioning to democratic systems, this criminal influence can undermine the transition. Most fundamentally, money laundering is inextricably linked to the underlying criminal activity that generated it. Laundering enables criminal activity to continue.

## II. Laws in India related to Anti money laundering

There is an Act called Prevention of Money Laundering Act 2002 (PMLA). The purpose of this act is to prevent the financing of terrorism and to prevent laundering of money i.e. to legalize or officialize or canalize the money generated from illegal activities like drug trafficking, organized crimes, hawala rackets and other serious crimes. This act is a part of the Global measures being taken by all the countries under the initiatives of UN agencies. It is applicable to all SEBI Registered Brokers/Sub-Brokers and other financial institutions who are dealing in any kind of financial assets. It is an obligation of the entities to whom this Act is applicable, to report certain kind of transactions routed through them to FINANCIAL INTELLIGENCE UNIT, a department specially set up to administer this Act under the Ministry of Finance. The transactions which are supposed to be reported are cash transactions above rupees ten lakhs or series of cash transactions below ten lakhs but aggregating to above ten lakhs in a month or its equivalent in any Foreign currency and the transactions which may not be in cash but suspicious in nature. Any such types of transaction, though not executed but attempted and failed are also required to be reported.

SEBI has issued master circular no. ISD/AMUCIR-1/2010 dated February 12, 2010. Please go through the same for more details.

## III. Client obligation related to Anti money laundering

### 1. What has this got to do with opening Trading/ Demat Account?

The first step in the laundering process for criminals is to get their money into an account with a Bank/Financial intermediary, often using a false identity and address. The funds so deposited will be transferred to other accounts locally or abroad or used for buying goods or services. This transaction would appear to be like any legally earned money and becomes difficult to trace it back to its criminal past. SEBI registered Intermediary under law should not only prevent this, but should stop criminals who wish to use the banking/Financial channel to launder the ill-gotten money from illegal/ criminal activities.

2. Why does the Capstocks ask you for proof of your Identity, Signature and Address? The identification of a customer is a very critical process with a view to protect the customer interests by preventing from fraudsters who may use the Name, address and forge signature to undertake benami / illegal business activities. This also helps to safeGuardian the intermediaries from being unwittingly used from the transfer or deposit of funds derived from criminal activity or for financing of terrorism. Identification of customers will also help to control financial frauds, identify money laundering and suspicious activities. The Prevention of Money-Laundering Act, 2002 (PMLA) was notified on July 1, 2005. As per the provisions of PMLAAct and as per the circular issued by Securities and Exchange Board of India (SEBI) on 18th January 2006 and subsequent circulars issued in this regard, every market intermediary registered with SEBI is obligated to adopt a policy framework with respect to anti-money laundering measures. Capstocks is inter alia a Stock broker, Depository Participant and a portfolio manager registered with SEBI and needs to adhere to the same.
3. How could money laundering affect you as a customer? A key defence against money laundering is to prevent accounts being opened in false identities. Anyone wishing to open an account will therefore be asked for proof of their identity, address and signature. These documents have to be essentially obtained irrespective of the type of account to be opened and the purpose for which the account is opened for. The fact that these documents are asked for opening of account does not mean that you are suspected of money laundering. Criminals try to appear to be normal law-abiding customers, for example they may try to open a number of accounts using small amounts of money. Hence it is necessary to identify all prospective account holders or customers. Anybody including a criminal could falsely use your identity, if these identity documents are not obtained.
4. What proof of identity will you need? The best identification documents are those which are issued by a Government authority, which should have a photograph, address and signature. You may provide one single document which can establish your identity, address and the signature or two or more documents. For an individual, documents like copy of the Passport, Election Identity Card, Driving Licence, Permanent Account Number (PAN) card, etc. would be sufficient for the purpose of establishing the identity, address and signature. Similarly, for other entities like firms, companies, trusts, documents like - Deed, Memorandum & Articles of Association, Certificate of Incorporation etc. would be applicable and the branch / sales staff / call centre would be able to help you in providing the details of the list of approved documents. As per SEBI regulations, Capstocks is under obligation to obtain sufficient information in order to identify persons who beneficially own or control securities account. 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.
5. What if you cannot provide the documents suggested?  
If you cannot provide the basic KYC documents the company will not be in a position to open your account.
6. What are the responsibilities of a Client related to money laundering?  
Capstocks has to 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. Clients should provide Capstocks with updated details of their occupation, source of income and give details of their annual income and net worth on annual basis. Further, they should provide explanation for any Trading pattern observed by Capstocks in its routine course .
7. Help us to help you Please help us to prevent crime, tax evasion and the laundering of the proceeds of such crime or evasion by being patient when staff asks you to provide documents to prove your identity. You can also help prevent crime against yourself and others by maintaining the confidentiality of your account details and identity documentation.

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## PROTECTING YOUR ACCOUNT FROM UNAUTHORIZED TRADES

### Pre Trading

#### **Account opening**

- Complete the Know Your Client (KYC) Form, read through Rights and Obligations, Risk Disclosure Document (RDD), Policies and Procedures, other relevant documents and execute them.
- Please provide proof of your identity, proof of your address and also a copy of the Permanent Account Number (PAN) card.
- Get a Unique Client Code allotted by the Trading Member to you.
- Before handing over the documents to Trading Member or his authorized representative retain a copy of all documents for your future reference.

#### **Areas to watch out .....**

- Choose an Exchange of your choice. Strike off the Name of the Exchange on which you do not wish to trade. Check and clearly mark your option to receive order confirmations, Contract Notes and funds and securities statements in digital or physical form. If you choose digital form, ensure that
- The conditions for receiving digitally signed documents are understood.
- The e-mail id regularly used by you is provided. ). The Trading Member acknowledges your e-mail id.

#### **If you choose physical form, ensure that you confirm:**

- Correct address to which you would like to receive the Contract Notes and other statements

### Trading

- Specify your Name and Client code before placing orders.
- Be specific and clear in terms like quantity and price.
- Do not give blanket permission to place orders on your behalf.
- Make sure that orders given by you are entered in your Unique Client Code (UCC) that has been allotted to you.

### POST Trading

- Make sure that you receive Contract Notes for all your trades from the Trading Member within the stipulated time of 24 hours from the execution of trade.
- In case you have opted for digital Contract Notes, please verify your email account on a daily basis so that all transactions in your account come to your knowledge.
- Give and receive all funds to Trading Member's account only.
- Make payments only by way of Account Payee cheque/demand draft/pay order in favour of Trading Member.
- Make sure that you receive quarterly statement of funds and securities from your Trading Member. Review the statements for accuracy.

#### **Temporary suspension of Trading activities or closing of account**

- In case you decide to stop Trading for a specific period (in case you are traveling / under going medical treatment, etc) intimate the Trading Member in writing and take an acknowledgement for the same.
- In case you decide to close your Trading account, ensure that you have completed the formalities and received a closure letter from the Trading Member.

#### **Remember to .....**

- Verify your trades on a regular basis.
- Check transactions in the Contract Notes or the quarterly statements of funds and securities. If you notice that any transaction is not as per your instructions, raise the issue with the Compliance Officer in writing.

#### **Disclaimer**

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- Research Analyst •Portfolio Management •Investment Advisor •Mutual Funds •Pan card Services

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