

HAITONG SECURITIES INDIA PRIVATE LIMITED

ACCOUNT OPENING KIT

FOR

DOMESTIC FINANCIAL INSTITUTIONS

November 2025

ACCOUNT OPENING KIT

Index

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MANDATORY DOCUMENTS AS PRESCRIBED BY SEBI & EXCHANGES			
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		B. Document captures the additional information about the constituent relevant to trading account and an instruction/check list.	6
2	Rights and Obligations	Document stating the Rights & Obligations of stock broker/trading member and client for trading on exchanges (including additional rights & obligations in case of internet/wireless technology based trading).	18
3	Risk Disclosure Document (RDD)	Document detailing risks associated with dealing in the securities market.	24
4	Guidance note	Document detailing do's and don'ts for trading on exchange, for the education of the investors.	29
5	Policies and Procedures	Document describing significant policies and procedures of the stock broker	32
6	Tariff sheet & contact details	Document prescribing the rate/amount of brokerage and other charges levied on the client for trading on the stock exchange(s)	44

MANDATORY DOCUMENTS

(TO BE FILLED AND SIGNED BY THE CLIENT)

SEBI Registration No. : INZ000026435 dated March 1, 2016

Registered office address: 1203A, Floor 12A, Tower 2A, One Indiabulls Centre, 841, Senapati Bapat Marg, Elphinstone Road, Mumbai 400013; Telephone No: +91-22-43156800 Fax: +91-22-24216327 Website: www.htisec.com

Correspondence office address: 1203A, Floor 12A, Tower 2A, One Indiabulls Centre, 841, Senapati Bapat Marg, Elphinstone Road, Mumbai 400013; Telephone No: +91-22-43156800 Fax: +91-22-24216327

Compliance officer: Mr. Prasanna Chandwaskar, Ph: +91-22-43156803, Email: prasanna.chandwaskar@htisec.com

Chief Executive Officer: Mr. George Mathew, Ph: +91-22-43156855; Email: george.mathew@htisec.com

For any grievance/dispute please contact Haitong Securities India Private Limited at the above address or india.compliance@htisec.com and Phone no. 91-22-43156800.

In case not satisfied with the response, please contact the concerned exchange(s) at:

NSE: Email ignse@nse.co.in Tollfree phone no: 1800220058

BSE: Email is@bseindia.com Phone no: +91-22-2272 8097

ACCOUNT OPENING FORM
(Part A)**A. IDENTITY DETAILS**

1. Name _____ of _____ the _____ Applicant:

2. Date of incorporation: _____(dd/mm/yyyy) & Place of incorporation: _____

3. Date of commencement of business: _____(dd/mm/yyyy)

4. a. PAN: _____

b. Registration No. (e.g. CIN): _____

c. SEBI Registration No: _____ Valid upto: _____

d. IRDA Registration No.: _____ Valid upto: _____

e. Regulatory Authority / License No.: _____

5. Status (please tick any one):

Mutual Fund

Scheduled Commercial Bank

Insurance Company

Venture Capital Fund

State Industrial Development Corporation

Public Financial Institutions

Public Financial Institutions

Others

B. ADDRESS DETAILS**1. Address for correspondence:**

City/town/village: _____ Pin Code: _____ State: _____

Country: _____

2. Contact Details: Tel. (Off.) _____ Fax: _____

Mobile No.: _____ Email ID: _____

3. Specify the proof of address submitted for correspondence address:

4. Registered Address (if different from above):

City/town/village: _____ Pin Code: _____ State: _____ Country: _____

5. Specify the proof of address submitted for correspondence address:

DECLARATION

We hereby declare that the details furnished above are true and correct to the best of our knowledge and belief and 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, we are aware that we may be held liable for it.

Place -----
(ies)

(-----)
Signature of Client / Authorized Signatory

Date -----

ADDITIONAL DETAILS

(Part B)

1. Gross Annual Income Details (please specify): Income Range per annum:
 Below Rs 1 Lac / 1-5 Lac / 5-10 Lac / 10-25 Lac / 25 Lacs-1 crore / > 1 crore
2. Net-worth as on (date) (dd/mm/yyyy): _____ (*Net worth should not be older than 1 year)
3. Total Funds under Management (if applicable): _____
4. Name, PAN, residential address and photographs of Promoters, Whole time directors (In case space is insufficient, please attach a separate sheet in the same format)

Name	Category (Promoters / Whole Time Directors)	PAN Number	Residential Address	Affix Photograph and sign across

5. DIN No. for Whole Time Directors / Adhaar Number for Promoters

Name	DIN (for Whole Time Director) / Adhaar Number (for Promoters)

6. Bank Account Details

Bank Name	Branch address	Bank Account no.	Account Type: Saving/Current/	MICR Number	IFSC code

			Others-In case of NRI/NRE/NRO		

7. Depository Account(s) Details

Depository Participant Name	Depository Name (NSDL/CDSL)	Beneficiary name	DP ID	Beneficiary ID

8. Trading Preferences

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

Stock Exchange	Segment	Signature
National Stock Exchange of India Limited	Cash Segment	-----
BSE Limited	Cash Segment	-----

In future, if the client wants to trade on any new segment / new exchange, separate authorization letter will be required from the client.

9. Please tick, if applicable, for any of your Promoters / Whole Time Directors / Authorized Signatories directors are:

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

10. PAST ACTIONS:

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

11. DEALINGS THROUGH OTHER STOCK BROKERS (if applicable)

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

Name of stock broker:.....Name of Sub-Broker, if any:.....

Client Code: Exchange:

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

.....

12. ADDITIONAL DETAILS

- Number of years of Investment/Trading Experience:
- Name, designation, PAN, UID, signature, residential address and photographs of persons authorized to deal in securities on behalf of company: (In case space is insufficient, please attach a separate sheet in the same format)

Name of the Authorised Signatory	Designation	PAN Number	UID Number	Residential Address	Affix photograph and sign across

13. INTRODUCER DETAILS (Optional)

Name of the Introducer:

Status of the Introducer: Existing Client / Others, please specify.....

Address and phone no. of the Introducer:

Signature of the Introducer:

14. Any other information

15. DECLARATION

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

Place -----
(ies)

(-----)
Signature of Client / Authorized Signatory

Date -----

FOR OFFICE USE ONLY

UCC Code allotted to the Client: _____

	Documents verified with Originals	Client Interviewed by	In-Person Verification done by
Name of the Employee			
Employee Code			
Designation of the employee			
Date			

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

.....
Signature of the Authorised Signatory

Date

Seal/Stamp of the stock broker

DOCUMENTARY REQUIREMENTS

1. PAN Card of the Company, duly certified by the Custodian
2. Copy of Incorporation Certificate with Memorandum and Articles of Association of Company or copy of Annual Reports for last 2 financial years
3. SEBI / IRDA Registration Certificate
4. Address proof of the Client
5. Copy of Board Resolution for investing in securities market / Declaration naming the persons authorized to deal in securities on behalf of the Company.
6. Self-attested PAN card copy of Whole Time Directors, Promoters and Persons Authorized to Deal in securities on behalf of the company.
7. Copy of latest shareholding pattern including list of all those holding control, either directly or indirectly, in the company
8. List of authorized signatories with specimen signatures

Following documents will be accepted as Proof of Identity and Proof of Address:

Proof of identity: Copy of PAN Card

Proof of Address of the Applicant: Any one of the following:

- i. Bank Account Statement – Not more than 3 months old.
- ii. Utility bills like Telephone Bill / Electricity Bill – Not more than 3 months old.
If correspondence address and registered address are different then proofs for both have to be submitted.

Proof of Address of Individuals: any one of passport/voters ID/ration card/registered lease/sale agreement/driving license/flat maintenance bill/utility bills – telephone bills or electricity bills or gas bills – not more than 3 months old.

Investor Charter – Stock Brokers

VISION

To follow highest standards of ethics and compliances while facilitating the trading by clients in securities in a fair and transparent manner, so as to contribute in creation of wealth for investors.

MISSION

- To provide high quality and dependable service through innovation, capacity enhancement and use of technology.
- To establish and maintain a relationship of trust and ethics with the investors.
- To observe highest standard of compliances and transparency.
- To always keep ‘protection of investors’ interest’ as goal while providing service.

Services provided to Investors

- Execution of trades on behalf of investors.
- Issuance of Contract Notes.
- Issuance of intimations regarding margin due payments.
- Facilitate execution of early pay-in obligation instructions.
- Settlement of client’s funds.
- Intimation of securities held in Client Unpaid Securities Account (CUSA) Account.
- Issuance of retention statement of funds.
- Risk management systems to mitigate operational and market risk.
- Facilitate client profile changes in the system as instructed by the client.
- Information sharing with the client w.r.t. exchange circulars.
- Redressal of Investor’s grievances.

Rights of Investors

- **Ask** for and receive information from a firm about the work history and background of the person handling your account, as well as information about the firm itself.
- **Receive** complete information about the risks, obligations, and costs of any investment before investing.
- **Receive** recommendations consistent with your financial needs and investment objectives.
- **Receive** a copy of all completed account forms and agreements.
- **Receive** account statements that are accurate and understandable.
- **Understand** the terms and conditions of transactions you undertake.
- **Access** your funds in a timely manner and receive information about any restrictions or limitations on access
- **Receive** complete information about maintenance or service charges, transaction or redemption fees, and penalties.
- **Discuss** your grievances with compliance officer of the firm and receive prompt attention to and fair consideration of your concerns.

Various activities of Stock Brokers with timelines

S.No.	Activities	Expected Timeline
1.	KYC entered into KRA System and CKYCR	10 days of account opening

2.	Client Onboarding	Immediate, but not later than one week
3.	Order execution	Immediate on receipt of order, but not later than the same day
4.	Allocation of Unique Client Code	Before trading
5.	Copy of duly completed Client Registration Documents to clients	7 days from the date of upload of Unique Client Code to the Exchange by the trading member
6.	Issuance of contract notes	24 hours of execution of trades
7.	Collection of upfront margin from client	Before initiation of trade
8.	Issuance of intimations regarding other margin due payments	At the end of the T day
9.	Settlement of client funds	30 days / 90 days for running account settlement (RAS) as per the preference of client. If consent not given for RAS – within 24 hours of pay-out
10.	'Statement of Accounts' for Funds, Securities and Commodities	Weekly basis (Within four trading days of following week)
11.	Issuance of retention statement of funds/commodities	5 days from the date of settlement
12.	Issuance of Annual Global Statement	30 days from the end of the financial year
13.	Investor grievances redressal	30 days from the receipt of the complaint

DOs and DON'Ts for Investors

Dos	DON'Ts
1. Read all documents and conditions being agreed before signing the account opening form. 2. Receive a copy of KYC, copy of account opening documents and Unique Client Code. 3. Read the product / operational framework / timelines related to various Trading and Clearing & Settlement processes. 4. Receive all information about brokerage, fees and other charges levied. 5. Register your mobile number and email ID in your trading, demat and bank accounts to get regular alerts on your transactions. 6. If executed, receive a copy of Power of Attorney. However, Power of Attorney is not a mandatory requirement as per SEBI / Stock Exchanges. Before granting Power of Attorney, carefully examine the scope and implications of powers being granted. 7. Receive contract notes for trades	1. Do not deal with unregistered stock broker. 2. Do not forget to strike off blanks in your account opening and KYC. 3. Do not submit an incomplete account opening and KYC form. 4. Do not forget to inform any change in information linked to trading account and obtain confirmation of updation in the system. 5. Do not transfer funds, for the purposes of trading to anyone other than a stock broker. No payment should be made in name of employee of stock broker. 6. Do not ignore any emails / SMSs received with regards to trades done, from the Stock Exchange and raise a concern, if discrepancy is observed. 7. Do not opt for digital contracts, if not familiar with computers. 8. Do not share trading password. 9. Do not fall prey to fixed / guaranteed returns schemes.

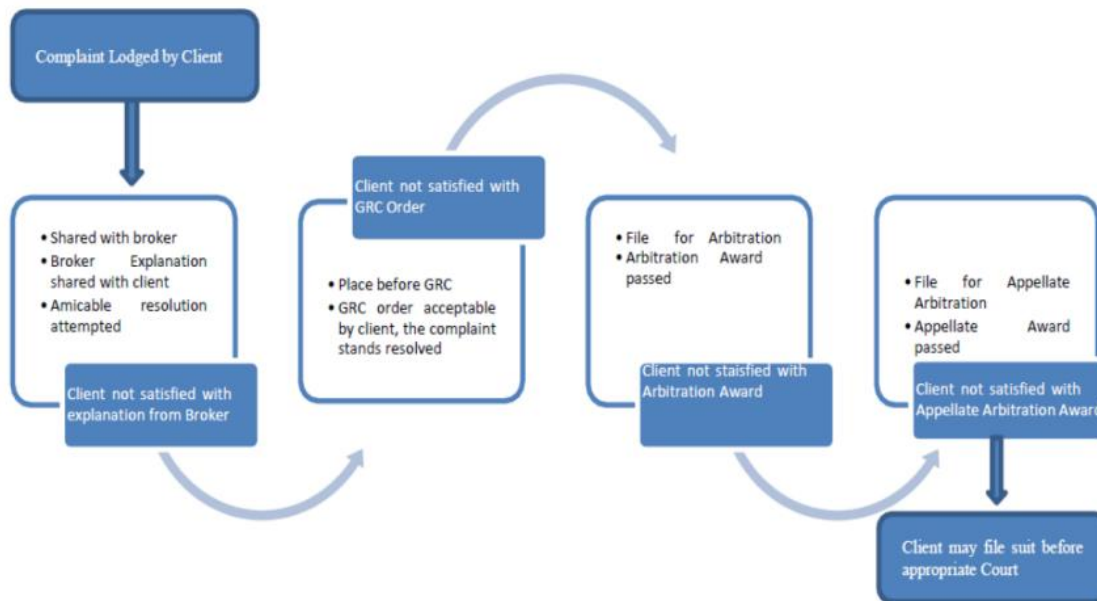
<p>executed, showing transaction price, brokerage, GST and STT etc. as applicable, separately, within 24 hours of execution of trades.</p> <p>8. Receive funds and securities / commodities on time within 24 hours from pay-out.</p> <p>9. Verify details of trades, contract notes and statement of account and approach relevant authority for any discrepancies. Verify trade details on the Exchange websites from the trade verification facility provided by the Exchanges.</p> <p>10. Receive statement of accounts periodically. If opted for running account settlement, account has to be settled by the stock broker as per the option given by the client (30 or 90 days).</p> <p>11. In case of any grievances, approach stock broker or Stock Exchange or SEBI for getting the same resolved within prescribed timelines.</p>	<p>10. Do not fall prey to fraudsters sending emails and SMSs luring to trade in stocks / securities promising huge profits.</p> <p>11. Do not follow herd mentality for investments. Seek expert and professional advice for your investments.</p>
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Grievance Redressal Mechanism

Level 1 – Approach the Stock Broker at the designated Investor Grievance e-mail ID of the stock broker. The Stock Broker will strive to redress the grievance immediately, but not later than 30 days of the receipt of the grievance.

Level 2 – Approach the Stock Exchange using the grievance mechanism mentioned at the website of the respective exchange.

Complaints Resolution Process at Stock Exchange explained graphically:



Timelines for complaint resolution process at Stock Exchanges against stock brokers

S. No.	Type of Activity	Timelines for activity
1	Receipt of Complaint	Day of complaint (C Day).
2	Additional information sought from the investor, if any, and provisionally forwarded to stock broker.	C + 7 Working days.
3	Registration of the complaint and forwarding to the stock broker.	C+8 Working Days i.e. T day.
4	Amicable Resolution.	T+15 Working Days.
5	Refer to Grievance Redressal Committee (GRC), in case of no amicable resolution.	T+16 Working Days.
6	Complete resolution process post GRC.	T + 30 Working Days.
7	In case where the GRC Member requires additional information, GRC order shall be completed within.	T + 45 Working Days.
8	Implementation of GRC Order.	On receipt of GRC Order, if the order is in favour of the investor, debit the funds of the stock broker. Order for debit is issued immediately or as per the directions given in GRC order.
9	In case the stock broker is aggrieved by the GRC order, will provide intention to avail arbitration	Within 7 days from receipt of order
10	If intention from stock broker is received and the GRC order amount is upto Rs.20 lakhs	Investor is eligible for interim relief from Investor Protection Fund (IPF). The interim relief will be 50% of the GRC order amount or Rs.2 lakhs whichever is less. The same shall be provided after

		obtaining an Undertaking from the investor.
11	Stock Broker shall file for arbitration	Within 6 months from the date of GRC recommendation
12	In case the stock broker does not file for arbitration within 6 months	The GRC order amount shall be released to the investor after adjusting the amount released as interim relief, if any.

Handling of Investor's claims / complaints in case of default of a Trading Member / Clearing Member (TM/CM)

Default of TM/CM

Following steps are carried out by Stock Exchange for benefit of investor, in case stock broker defaults:

- Circular is issued to inform about declaration of Stock Broker as Defaulter.
- Information of defaulter stock broker is disseminated on Stock Exchange website.
- Public Notice is issued informing declaration of a stock broker as defaulter and inviting claims within specified period.
- Intimation to clients of defaulter stock brokers via emails and SMS for facilitating lodging of claims within the specified period.

Following information is available on Stock Exchange website for information of investors:

- Norms for eligibility of claims for compensation from IPF.
- Claim form for lodging claim against defaulter stock broker.
- FAQ on processing of investors' claims against Defaulter stock broker.
- Provision to check online status of client's claim.

Level 3 – The complaint not redressed at Stock Broker / Stock Exchange level, may be lodged with SEBI on SCORES (a web based centralized grievance redressal system of SEBI) @ <https://scores.gov.in>

Filing Complaints on SCORES- Easy and quick

- Register on SCORES portal
- Mandatory details for filing complaints on SCORES:
 - Name, PAN, Address, Mobile Number, Email ID
- Benefits:
 - Effective Communication
 - Speedy redressal of the grievances"

SMART ODR PORTAL

In addition to the above mentioned Investor Grievance Redressal mechanisms, the investors, to resolve any disputes with the stock brokers, can also initiate the dispute resolution process on SEBI prescribed Online Dispute Resolution Portal. The same can be accessed through <https://smartodr.in/login>

MANDATORY DOCUMENTS

(FOR INFORMATION ONLY)

RIGHTS AND OBLIGATIONS OF STOCK BROKERS AND CLIENTS
(as prescribed by SEBI and Stock Exchanges)

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

CLIENT INFORMATION

6. 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.
7. 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.
8. 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.
9. The stock 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

10. 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.

11. 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

12. 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.
13. 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.
14. 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.
15. 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).
16. 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

17. 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

18. 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.

19. 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.
20. 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

21. The stock broker shall provide the client with the relevant contact details of the concerned Exchanges and SEBI.
22. 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.
23. 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.
24. The stock broker shall ensure faster settlement of any arbitration proceedings arising out of the transactions entered into between him vis-à-vis the client and he shall be liable to implement the arbitration awards made in such proceedings.
25. 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

26. 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.
27. 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.

ADDITIONAL RIGHTS AND OBLIGATIONS

28. 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.
29. 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.
30. 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.
31. 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.
32. 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.
33. The stock broker shall send daily margin statements to the clients. Daily Margin statement should include, inter-alia, details of collateral deposited, collateral utilized and collateral status (available balance/due from client) with break up in terms of cash, Fixed Deposit Receipts (FDRs), Bank Guarantee and securities.
34. 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)

35. 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.

36. 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.
37. 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.
38. 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.
39. 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.
40. 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

41. 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.
42. 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.
43. 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.
44. 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.

45. 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.
46. 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.

RISK DISCLOSURE DOCUMENT FOR CAPITAL MARKET AND DERIVATIVES SEGMENTS

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

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

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

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

It must be clearly understood by you that your dealings on Stock exchanges through a stock broker shall be subject to your fulfilling certain formalities set out by the stock broker, which may inter alia include your filling the know your client form, reading the rights and obligations, do's and don'ts, etc., and are subject to the Rules, Byelaws and Regulations of relevant Stock exchanges, its Clearing Corporation, guidelines prescribed by SEBI and in force from time to time and Circulars as may be issued by Stock exchanges or its Clearing Corporation and in force from time to time. Stock exchanges does not provide or purport to provide any advice and shall not be liable to any person who enters into any business relationship with any stock broker of Stock exchanges and/or any third party based on any information contained in this document. Any information contained in this document must not be construed as business advice. No consideration to trade should be made without thoroughly understanding and reviewing the risks involved in such trading. If you are unsure, you must seek professional advice on the same.

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

1. BASIC RISKS:

1.1 Risk of Higher Volatility:

Volatility refers to the dynamic changes in price that a security/derivatives contract undergoes when trading activity continues on the Stock Exchanges. Generally, higher the volatility of a security/derivatives contract, greater is its price swings. There may be normally greater volatility in thinly traded securities / derivatives contracts than in active securities /derivatives contracts. As a result of volatility, your order may only be

partially executed or not executed at all, or the price at which your order got executed may be substantially different from the last traded price or change substantially thereafter, resulting in notional or real losses.

1.2 Risk of Lower Liquidity:

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

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

1.3 Risk of Wider Spreads:

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

1.4 Risk-reducing orders:

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

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

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

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

1.5 Risk of News Announcements:

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

1.6 Risk of Rumors:

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

1.7 System Risk:

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

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

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

1.8 System/Network Congestion:

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

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

2.1 Effect of "Leverage" or "Gearing":

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

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

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

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

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

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

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

2.2 Currency specific risks:

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

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

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

2.3 Risk of Option holders:

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

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

2.4 Risks of Option Writers:

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

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

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

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

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

4. GENERAL

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

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

GUIDANCE NOTE - DO'S AND DON'Ts FOR TRADING ON THE EXCHANGE(S) FOR INVESTORS
BEFORE YOU BEGIN TO TRADE

1. Ensure that you deal with and through only SEBI registered intermediaries. You may check their SEBI registration certificate number from the list available on the Stock exchanges BSE – www.bseindia.com and NSE- www.nseindia.com and SEBI website 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, 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 may maintain a running account for you subject to the following conditions:
 - ⤴ Such authorization from you shall be dated, signed by you only and contains the clause that you may revoke the same at any time.
 - ⤴ 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.

- ⤴ 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.
- ⤴ 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.

Policies and Procedures of Haitong Securities India Private Limited

The underlying document outlines various policies and procedures Haitong Securities has framed with respect to its dealing with clients for capital market transactions to ensure transparency and facilitate understanding on various aspects related to service delivery. Kindly note that the below stated policies and procedures are subject to change from time to time, depending upon our internal risk management framework, market and external environment.

1. Policy for Penny Stock / Securities

Clients may note that all the stock and securities listed on the Stock Exchange are not actively traded. There are some stocks for which sellers or buyers are not readily available and / or there are not sufficient trades or volumes from which the market price may be arrived at with some reliability. Such stocks are called “illiquid securities” or “Penny stocks”. They are comparatively more vulnerable to market manipulation / price rigging. The spread, i.e., the difference between the offer price and bid price is usually wide and dealing in these securities at a given time may be difficult and in any case uncertain. Exchanges bring out monthly list of such securities based on the volume during the last calendar month.

Haitong Securities does not encourage trading in penny stocks. In exceptional cases, before allowing a trade in illiquid securities or less liquid securities, Haitong Securities may make further enquiry, in case of instructions for sale, into the nature and duration of holding and in case of purchase instructions, into the client’s trading experience, knowledge about the risks in penny stock, risk appetite and proportion of such stocks to total investment, etc.. This may cause time gap between placing an order and its execution. The clients will have to bear that risk of delay in execution or rejection in respect of illiquid securities. Client’s instructions for trading in illiquid securities may be rejected without assigning any reason.

Haitong Securities recommends that its clients desist from trading in any penny stocks in view of the associated risk element while dealing in such stocks. Further, the client is also required to adhere to Exchange/ Stock Brokers' guidelines and due diligence while trading in such stocks. Also SEBI / Exchange from time to time issues directives necessitating additional due diligence for dealing in such stock(s).

2. Setting up Client Exposure Limits

Haitong Securities may, from time to time impose and vary limits on the orders that the clients may place (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.) based on its internal risk management framework.

3. Applicable Brokerage Rate

The brokerage charged to the clients will not be more than the maximum brokerage permissible as per the rules, regulations and bye-laws of the relevant Exchange / SEBI.

4. Imposition of penalty / delayed payment charges

Pursuant to SEBI regulations and Exchange Bye-laws, the stock broker is currently required to make pay-in of funds and arrange delivery of securities to the exchange as per the settlement schedules. Further

the stock broker is also required to maintain adequate exposure margins prior to placing trades with the exchange. In addition, the exchanges have also prescribed that stock brokers should have prudent risk management policy commensurate with its business, to facilitate smooth settlement of client's trade obligations. Clients will be liable to pay late pay in/delayed payment charges for not making payment of their pay in/margin obligation on time as per the exchange settlement schedule at the rate upto 2% per month. The levy of late pay-in/delayed payment charges will be as per the sole discretion of Haitong Securities and shall be communicated to the client as appropriate. Similarly, Haitong Securities will be liable to pay delayed payment charges to the client for not making payment of their obligation on time, as per the exchange settlement schedule at the rate mutually agreed upon, except in the cases covered by the "Running Account Authorisation" given by the client to Haitong Securities, if any. Please note that Haitong Securities shall not be liable for delays caused in making payment to the client under instruction from the client and/or its authorized representatives. The above requirements do not apply to trades executed for Institutional clients which are settled through custodians and/or clearing members.

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

Without prejudice to Haitong Securities's other rights (including the right to refer the matter to arbitration), Haitong Securities shall be entitled to liquidate / close out all or any of the clients positions without giving notice to the client for non-payment of margins or other amounts including the pay-in obligation, outstanding debts, etc to the extent of client's settlement / margin obligation only. The proceeds of such liquidation / close out, if any, would be adjusted against the clients liabilities / obligations. The client would be required to make good the shortfall, if any post liquidation, immediately on being intimated of the same by the Member. The client shall ensure timely availability of funds / securities in form and manner at a designated time and in designated bank and depository accounts(s), for meeting his / her / its pay in obligation of funds and securities. Any and all losses and financial charges on account of such liquidations/closing out shall be charged to & borne by the client. In case of securities lying in a client margin account / client beneficiary account and having corporate actions like bonus / stock split, the benefit of the same for margin or other purpose will be given when the shares are actually received in the Haitong Securities's designated depository account. However, for institutional clients, trades are confirmed by the custodian by T+1 morning and the custodian takes on the responsibility of settling the trade with the Exchange. If the custodian does not confirm a particular trade, then the trade will devolve on Haitong Securities. In such a scenario, the Stock Broker will settle the trade as a Delivery versus Payment trade. In case the payment of the margin, settlement obligation is made by the client through a bank instrument, Haitong Securities shall be at liberty to give the benefit / credit for the same only on the realization of the funds from the said bank instrument. Where the margin is made available by way of securities or any other property, Haitong Securities is empowered to decline its acceptance as margin and/ or to accept it at such reduced value as Haitong Securities may deem fit by applying haircuts or by valuing it by marking it to market or by any other method as Haitong Securities may deem fit in its absolute discretion. Haitong Securities has the right but not the obligation, to cancel all pending orders and to sell / close / liquidate all open positions / securities / shares at the pre-defined square off time or when Mark to Market (M-T-M) percentage reaches or crosses stipulated margin percentage, whichever is earlier. Haitong Securities will have sole discretion to decide the stipulated margin percentage depending upon the market condition. In the event of such square off, the

client agrees to bear all the losses based on actual executed prices, the client shall also be solely liable for all and any penalties and charges levied by the Exchange(s).

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

In case of shortage in meeting the settlement obligation, either party shall endeavor to make good such shortage through securities / value of shortage as per the Rules, Regulations and Bye-laws of the respective stock exchange.

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

Haitong Securities reserves the right not to permit the client from taking further positions or may close the existing position in certain conditions which inter-alia includes:

- a. Shortfall in the client account to make good the settlement / margin obligations.
- b. Any legal / disciplinary action initiated by the Government, Government agencies or such other regulators like SEBI, Exchanges, RBI, Income Tax Dept., etc
- c. Based on the internal Risk management framework.
- d. Violation of terms mentioned in the Client Registration Document.
- e. Based on happening of an event where Haitong Securities has the risk perception that further trading in the securities (incl. penny/ illiquid stocks) may not be in the interest of its clients and/or the market.

8. Deregistering a Client

Haitong Securities may, at its absolute discretion, decide to deregister a particular client. The illustrative circumstances under which Haitong Securities may deregister a client are given below:

- SEBI or any other regulatory body has passed an order against such client, prohibiting or suspending such client from participating in the securities market.
- Such client is suspected of indulging in illegal or criminal activities including fraud or money laundering.
- Such client has been indicted by a regulatory body or any government enforcement agency in case of market manipulation or insider trading or any other case involving violation of any law, rule, regulation, guideline or circular governing securities market.
- Such client's name appears in the UN list of prohibited entities or in the SEBI debarred list.
- Such client's account has been lying dormant for a long time or the client is not traceable.
- Such client has been declared insolvent or any legal proceedings to declare him / her as insolvent have been initiated.
- Such client has been irregular in fulfilling obligations towards margin or settlement dues.

IMPORTANT EXTRACTS OF OTHER SIGNIFICANT POLICIES

POLICY ON INVESTOR COMPLAINTS REDRESSAL MECHANISM

1. The company has a designated email address for the purpose of receiving and redressing investor complaints viz. india.compliance@htisec.com.

2. Notwithstanding what is stated above, an Investor can also make a written/ verbal complaint to the Company by way of a written letter/ telephone call.
3. Compliance Officer also has exclusive access to dedicated email address mentioned in (1) above and monitors the same on a daily basis.
4. Any Investor complaint received as per (2) above is forwarded directly to the Compliance Officer.
5. The details of the said complaint are entered into the Investor Grievances Register.
6. The Compliance Officer communicates to the complainant-investor that the complaint has been received and is being dealt with.
7. The Compliance Officer co-ordinates with the relevant team within the Company to ensure reply and final resolution of the Complaint within the earliest possible time frame.
8. A reply is to be given to the investor in no later than week from the receipt of complaint.
9. Material complaints are also escalated to the Board of Directors by way of a quarterly report presented at the ensuing Board Meeting.

WRITE-UP ON EMPLOYEES INVESTMENT POLICY

1. Applicability-persons

Apart from being applicable to employees, the Personal Account Dealing (PAD) code is also applicable to their financial dependents and 'connected persons'. 'Connected person', means persons who by virtue of domestic, business or other connections (other than a customer or counterparty of Haitong group), may reasonably be expected to give rise to a community of interests with the employee. Without prejudice to the generality of the foregoing, the following are deemed to be 'connected person' of the employees:

- Spouse, partner or co-habitee (Financially independent)
- Children (by birth or adoption) (Financially independent)
- Parents (Financially independent)
- Siblings (by birth or adoption) (Financially independent); and
- Any organization in which the above persons (or the employees / directors themselves) control, singly or jointly, not less than 20% of the voting power.

Estates administered by an employee as personal representative, executor or trustee and investment clubs or associations in which the employee can exercise control need to be declared as "connected persons".

2. Applicability-accounts

PAD code applies to dealings in all accounts held in name of employees and / or their financial dependents, whether in single or joint name. Further, the PAD code also applies to dealings in those accounts that are held by 'connected persons' declared by the employee, whether singly or jointly, only if the employee:

- Is involved in dealing or has direct/indirect influence in investment decisions; or
- Has either direct or indirect beneficial interest in the profit, loss or income accruing from investments done in the name of "connected persons"

The onus of declaring persons as 'financial dependents' and 'connected persons' is on the employee. Employees should take utmost care in declaring "connected persons", as above, to whom the Code would then be applicable.

Compliance Dept. shall review the information on the Personal Account Dealing Forms.

It is a strict requirement that all staff are permitted to deal only through the broker/dealer/bank that they have declared to Compliance Dept.

Any subsequent additions or changes to the accounts anywhere in the world or related details maintained with any broker/dealer /bank must be notified promptly to Compliance Dept through fresh submissions of prescribed forms.

3. Applicability-securities

The PAD code is applicable to all dealings in following categories of investments and financial instruments:

- a) Debentures, stocks, shares, bonds or notes issued or proposed to be issued by a body corporate, incorporate, government, public and municipal agencies;
- b) Warrants to subscribe for investments falling within (a) above;
- c) Depository receipts or other types of instrument relating to (a) or (b) above;
- d) Unit trusts, mutual funds and similar schemes in INDIA or elsewhere;
- e) Options, whether on any other investment in this list, on any currencies or precious metals, or an option on an option;
- f) Futures contracts e.g. purchase or sale at the future date but at a pre-agreed price of any other investment on this list, any currency, gold or silver or any similar asset, whether governed by any written law or not, regulating trading in futures contracts;

- g) Contracts for differences or contracts on indices; and
- h) Public Provident Fund investments
- i) Other investments which are similar or related to any of the foregoing in (a) to (h) above

4. Pre-clearance:

- All persons to whom the Code applies are to pre-clear their trades by obtaining prior approval from the Compliance Officer.
 - Pre-clearance of trades done by financial dependents is also required.
 - Pre-clearance of trades ‘connected persons’ is also required, unless the concerned employee has previously declared that in case of trading by his / her ‘connected persons’, he / she does not influence the investment decisions.
 - The staff shall send an e-mail request to obtain the approval of Department Head (or designated alternate) to transact in the specified financial instrument with a copy to the Compliance Officer.
 - Based on this pre-notification, Compliance Dept. shall conduct checks against certain lists of issuers of securities that Haitong group is analysing or recommending for client transactions, and prohibitions on personal trading in securities of those issuers
 - In addition, the duly completed Authorisation to Deal form signed by the Head of Dept. (or on email) must be submitted to Compliance Dept. together with the staff’s signed confirmation statements applicable for respective “Buy” and “Sell” transactions.
 - Staff shall only place the transaction order upon receipt of approval via email from Compliance Dept., copied to Dept. Head.
 - For pre-clearance, the approval from Compliance is valid for the trading day on which it is approved. A fresh submission and approval is required if the specified order is not executed on the day the approval is received.
 - Compliance Dept. reserves the right to require additional approvals or refuse to approve a personal investment transaction in its sole determination without providing any explanation.
 - Pre-clearance of trades not required in case of investments in transactions effected under discretionary accounts that have been previously approved by Compliance Dept and investments in unlisted mutual funds, unit trusts
- 5.** The minimum investment holding period is applicable to all employees and their connected persons. All personal account dealing transactions (including securities acquired via new issues) are subject to a 30 calendar days’ lock-in period
- 6.** Employees are hereby restrained from indulging in any of the fraudulent, manipulative, or unfair trade practice as mentioned in the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the securities market) Regulations 2003 and agree and undertake to comply with the stipulations of the said regulations, in addition to Insider Trading Regulations, and any other Regulations prescribed by SEBI or any competent authority from time to time.
- 7.** Without prejudice to the generality of the above, employees are restrained from indulging in the following activities:
- Creating false or misleading appearance of trading in the market.
 - Dealing in a security not intended to effect transfer of beneficial ownership but intended to operate only as a device to inflate, depress or cause fluctuations in the price of such security for wrongful gain or avoidance of loss.
 - Advancing or agreeing to advance any money to any person thereby inducing any other person to offer to buy any security in any issue only with the intention of securing the minimum subscription to such issue.
 - Paying, offering or agreeing to pay or offer, directly or indirectly, to any person any money or money’s worth for inducing such person for dealing in any security with the object of inflating, depressing, maintaining or causing fluctuation in the price of such security.
 - Any act or omission amounting to manipulation of the price of a security.

- Publishing or causing to publish or reporting or causing to report by a person dealing in securities any information which is not true or which he does not believe to be true prior to or in the course of dealing in securities.
 - Entering into a transaction in securities without intention of performing it or without intention of change of ownership of such security.
 - Selling, dealing or pledging of stolen or counterfeit security whether in physical or dematerialized form.
 - Promising a certain price in respect of buying or selling of a security to a client and waiting till a discrepancy arises in the price of such security and retaining the difference in prices as profit for himself
 - An intermediary providing his clients with such information relating to a security as cannot be verified by the clients before their dealing in such security
 - An advertisement or any statement that is misleading or that contains information in a distorted manner and which may influence the decision of the investors.
 - Reporting trading transactions to clients, entered into on their behalf, in an inflated manner in order to increase commission and brokerage
 - Not disclosing to client, transactions entered into on his behalf including taking an option position
 - Circular transactions in respect of a security entered in order to increase commission to provide a false appearance of trading in such security or to inflate, depress or cause fluctuations in the price of such security
 - Encouraging the clients to deal in securities solely with the object of enhancing brokerage or commission
 - Predating or otherwise falsifying records such as contract notes
 - Buying or selling securities in advance of a substantial client order or whereby a futures or option position is taken about an impending transaction in the same or related futures or options contract
 - Planting false or misleading news which may induce sale or purchase of securities
8. Equity Research employees are subject to additional rules prescribed. Specifically, analysts involved in any aspect of research on financial instruments (private or public listed) may not deal at all in these same instruments nor invest within the same sector being covered by the research. Such prohibitions extend in particular to the analysts while they are actively researching the investment, involved in a company visit, preparing a research report or advising customers on the merits of that investment.
 9. Deliberate breach of Personal Account Dealing Policy and Rules or any related regulation or code of practice in shall be regarded as a very serious matter. In such circumstances, the employee will be subject to disciplinary action including but not limited to instant dismissal from service.
 10. Staff shall refrain from dealing in an investment based on fore-knowledge that Haitong Securities, or an organisation or individual associated with Haitong Securities, intends to publish a research recommendation that is likely to cause a price change in the investment. Until the recommendation has been published and the customers for whom it was principally intended for have had a reasonable opportunity to react to it (normally two business days after publication), staff are not allowed to trade on any financial instrument relating to the research subject.
 11. No staff shall deal in an investment at a time or in a manner which may have an adverse effect on the interest of any Haitong Securities customer. Staff members in sensitive job positions shall refrain from entering into any transactions based on information to which they have been privy in the discharge of their duties and from which they are likely to make personal gains. This specifically includes dealing ahead of customer orders received by Haitong Securities or in anticipation of decisions on discretionary dealings for customers.

WRITE-UP ON CODE OF ETHICS

The objective is to lay down the minimum standard of conduct expected from employees and to institute systems and procedures to monitor compliance with the code.

It complements and runs parallel to all, internal policies, procedures, external guidelines and statutory regulations.

FUNDAMENTAL PRINCIPLES

NORMS ON HONESTY, INTEGRITY AND BEHAVIOUR

- Like all other organisations, the Company requires order and discipline to succeed and strive to promote efficiency, productivity, and cooperation among employees. For this reason, all employees are expected to act in a professional manner towards colleagues, the Company's customers and third parties. This means that employees are required to adhere to all policies, procedures, and professional standards of conduct as stated by the Company.
- Employees are expected to understand and imbibe these standards, mentioned below, in their daily routine and make this a part of their work life.

Expected standards of professionalism, fairness, behaviour and language

- Employees shall not discriminate in dealings with any persons within or outside the Company on account of religion, creed, sex etc.
- Employees shall not misbehave with clients or colleagues inside or outside the premises of the Company. Misbehavior would include acts such as shouting, use of unparliamentary language, threatening, intimidation, physical assault etc.
- No employee shall use his / her position to intimidate or secure undue advantage from any other employee or external person or outside agency.

Need for honesty and integrity in all dealings

- Intentional misrepresentation of facts, concealment of error, withholding / concealment of information that may have material effect on operations of the Company would be regarded as breach of ethics, which employees shall avoid.
- In event of an irregularity / instance of prejudice to the organisation coming to the notice of an individual he / she shall report it to their respective Manager for further action.
- Employees shall not place themselves in a position where their own interests could conflict with those of the Company or any of its customers. If such conflict arises, they should ensure fair treatment to all customers through disclosure, internal rules of confidentiality, declining to act, or otherwise. Such conflict of interest must be reported to the Compliance Officer immediately, who will then decide on the next course of action.
- Employees are forbidden from making any sexual advances or use of any sexual overtones with any client or colleague.
- Employee will be true and faithful to the Company, in all his accounts, dealings and transactions, relating to the business of the Company and shall at all times, when required, render a true and just account thereof to the Company or such persons as shall be authorised to receive the same.

Act fairly, honestly and transparently

- To gain the trust of customers and, more generally, any person with an interest in Haitong Securities, staff members shall act fairly, honestly and transparently in all their professional actions and in any aspect of their private lives that could possibly affect Haitong Securities's operations or reputation.
- No employee shall use his / her position to intimidate or secure undue advantage from any other employee or external person or outside agency.
- Intentional misrepresentation of facts, concealment of error, withholding / concealment of information that may have material effect on operations of the Company would be regarded as breach of ethics, which employees shall avoid.
- **Prevent misappropriation of funds/assets of the Company**
 - Employees shall not engage in misappropriation of funds / assets assigned for official duties.
 - Employees shall not falsely claim expenses on the Company.
 - Employees shall not use the assets or resources of the Company for personal benefits.
 - Employees will be responsible for the safekeeping and return, in good condition and order, of all of the Company's property, which maybe in their use, custody or charge.
- **Prevent the misuse of the Company Name**
 - Employees shall not be involved in any activity or transaction that is regarded as illegal / criminal as per the laws of the country and unauthorized by the Company.
 - They shall not engage in any behaviour, whether on official duty or otherwise, that may have adverse impact on the image of the Company.

Respect others

- Employees shall not discriminate against or harass customers, other employees or any other person with whom Haitong Securities has relations for any reason whatsoever, notably with regard to race, colour, creed, religion, origin, nationality, age, sex, sexual leaning, marital status, disability or political opinion.
- Employees shall not misbehave with clients or colleagues inside or outside the premises of the Company. Misbehavior would include acts such as shouting, use of unparliamentarily language, threatening, intimidation, physical assault, sexual harassment etc.

Comply with the law, the regulations and professional standards

Employees shall comply with the laws, regulations and professional standards that apply to their professional activity.

Comply with instructions

Employees shall comply with policies, procedures, etc. and other instructions from management relating to their professional activities.

Work in the customers' best interests

Employees shall seek to:

- provide customers with the most suitable products and services, with regard to their aims, resources, knowledge and experience;

- give the customer clear, honest and non-misleading information and, if so requested, an opinion, in particular relating to expected performance, associated risks and pricing;
- provide quality service that preserves the customer's best interests;
- treat customers fairly, without giving any customer (or other counterparty) unduly preferential treatment;
- behave transparently, notably by making available, at the customer's request, any information relating to the execution of his transactions.

Ensure that market integrity is respected

Any action that could be considered a market abuse (such as the misuse of inside information or market manipulation) is strictly prohibited.

Manage conflicts of interest

Employees shall manage conflicts of interest between Haitong Securities and/or its customers and/or its employees in conformity with Haitong Securities procedures. They shall avoid conflicts of interest involving them personally, notably relating to personal transactions, outside commercial interests, gifts and offers of hospitality. If such conflict arises, they should ensure fair treatment to all customers through disclosure, internal rules of confidentiality, declining to act, or otherwise. Such conflict of interest must be reported to the Compliance Officer immediately, who will then decide on the next course of action.

Behave professionally

Employees shall:

- encourage team work;
- respect professional secrecy;
- act with loyalty towards Haitong Securities, i.e. avoid acting contrary to its interests unless their opposition can be considered as legitimate, such as the one falling within the scope of each person's right to express an opinion;
- exercise discretion and reserve when speaking outside Haitong Securities on any subject relating to Haitong Securities, unless authorised to do otherwise;
- contribute to implementing Haitong Securities best practices, particularly in the areas of risk management, prevention of fraud, and internal control in general.

Protect Haitong Securities's interests

Employees shall make the best possible use of Haitong Securities assets and resources, and take all possible measures to prevent the misuse of these assets and resources for any other person's benefit, whether voluntary or through negligence.

CONFIDENTIAL INFORMATION

All employees, as representatives of the Company, will be in possession of sensitive and confidential information about customers and/or the Company that must be kept secure in order to maintain the integrity of individual customer transactions and the Company's business.

WRITE-UP ON DATA BACK-UP, STORAGE AND SECURITY

The Company has data storage capacity to the extent of 3 Terabytes. The information is stored on network drives (shared drives) as well as individual drives of the workstations. Backup is carried out daily of all information on both the individual drive and the network (shared) drive. Regarding data security, there is physical as well as logical security to ensure controlled flow of information across teams in the Company. Accordingly, the server room has very limited access only to I-T personnel and other authorized, senior personnel. Further, the information stored in the shared drives is given access to only those to whom it is required on a “need to know” basis. Relevant request is raised and is approved by Compliance department. Only then, access to the concerned folder on shared drive is granted by the I-T team. Individual desktop workstations are secured by password set by the concerned user. As per password management policy, passwords are required to be of a defined combination of letters, numbers and special characters and are to be changed at regular, defined intervals to maintain security and integrity of data.

TARIFF SHEET**Brokerage Scheme Applicable**

Sr. No.	Segment	Brokerage Scheme
1	Cash Equitiesbps + Securities Transaction Tax

Note: The above mentioned rates are indicative rates applicable to all clients and are subject to negotiation.

CONTACT DETAILS

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