

AUTHORISATION FOR ELECTRONIC CONTRACT NOTE

To,
The Officer-in-charge,
Ghalla Bhansali Stock Brokers Pvt. Ltd.
Devansh, 133, D.S.P. Road,
Dadar(E), Mumbai - 400 014.

Date : _____

Dear Sir/Madam,

Sub.: Authorisation for Electronic Contract Note (ECN) & other documents

With reference to Client Registration documents executed between us, I/We hereby authorized you to do the following:

I/We have been/shall be dealing through you as my/our broker on the Capital Markets and/or Future and Option Segments. As my / our broker i.e. agent I / We direct and authorize you to carry out trading / dealings on my/our behalf as per instructions given below.

I/We understand that, I/we have the option to receive the contract notes, bills, margin calls, Client Margin information, Statement of Accounts/Ledger and Security Balance Confirmation in physical form or electronic form. In pursuance of the same, I/we hereby opt for receipt of contract notes, bills, margin calls, Client Margin Information, Statement of Accounts/Ledger and Security Balance Confirmation in electronic form. I/ We understand that for the above purpose, you are required to take from the client "an appropriate email account" for you to send electronic contract notes. Accordingly, please take email account _____ on your record for sending the contract notes and other documents to me / us.

I / We agree not to hold you responsible for late / non - receipt of contract notes, bills, margins calls, Client Margin information, Statement of Accounts / Ledger and Security Balance Confirmation sent in electronic form and any other communication for any reason including but not limited to failure of email server, loss of connectivity, email in transit, etc. I / we agree that the log reports of your dispatching software shall be a proof of dispatch of contract notes, bills, margin calls, Client margin information, Statement of Accounts, Ledger and Security Balance Confirmation to me / us.

I/We also agree that non-receipt of bounced mail notification by you shall amount to delivery at my email account(s)/email id(s). In case of bounce mail, physical copy of the document will be provided to me.

I/We understand that I/we am/are required to intimate any change in the email id/email account mentioned hereinabove needs to be communicated by me/us through a physical letter to you, provided however that if I/we am/are an internet client then in that event the request for change in email id/email account can be made by me/us through a secured access using client specific user id and password. Please treat this authorization as written ratification of my/our verbal directions/authorizations given and carried out by you earlier. I/We shall be liable for all losses, damages and actions which may arise as a consequence of your adhering to and carrying out my/our directions given above.



Signature of Client

Client Name : _____ Client Code : _____
[Note : To be signed by client himself / herself and not by his / her attorney / authorized person, etc.]

TYPE OF ALERT YOU WISH TO RECEIVE :

SMS Alert : Yes No : Mobile No. : _____
E-mail Alert : Yes No : E-mail id : _____
Both SMS & E-mail Alert : Yes No :

In case above mentioned Mobile no. or E-mail ID is already updated with another Trading Account with us, then please provide below mentioned details :

Trading Account ID : _____ for which Mobile number / E-mail ID is already registered.
Relation : _____ PAN : _____

**VOLUNTARY
RUNNING ACCOUNT AUTHORISATION**

To,
The Officer-in-charge,
Ghalla Bhansali Stock Brokers Pvt. Ltd.
Devansh, 133, D.S.P. Road,
Dadar (E), Mumbai – 400 014.

Date: _____

Dear Sir / Madam,

Sub. : Running Account Authorization

I/We _____ having Client Code _____ are dealing through you as a client for BSE / NSE in Capital Market and / or Future & Option segment & in order to facilitate ease of operations and upfront requirement of margin for trade. I / We authorize you as under:

1. I / We request you to maintain running balance in my account & retain the credit balance in any of my / our account and to use the unused funds towards my / our margin / pay-in / other future obligation(s) at any segment(s) of any or all the Exchange(s) / Clearing corporation unless I/we instruct you otherwise.
2. I / We request you to retain the securities against my / our outstanding obligation till the time same is not settled by me / us. I / we further authorize you to liquidate my / our positions in case of non-payment of outstanding dues as per the applicable Exchange Rules.
3. I/We request you to settle my/our funds and securities account once in every calendar Quarter / Month (strike out whichever is not applicable) or such other higher period as allowed by SEBI / Stock Exchange time to time except the funds given towards collaterals / margin in form of Bank Guarantee and / or Fixed Deposit Receipt.
4. In case I / We have an outstanding obligation in derivative market on the settlement date, apart from margin liability you may retain additional margins (as set by SEBI / Exchanges from time to time) to take care of any margin obligation arising in next 5 trading days.
5. In respect of Cash Market transactions, you may retain entire pay-in obligation of funds and securities due from me/us as on date of settlement. Further, for next day's business, you may retain funds / securities / margin to the extent of value of transactions executed on the day of such settlement in the cash market only.
6. I/We confirm you that I will bring to your notice any dispute arising from the statement of account or settlement so made in writing preferably within 7 working days from the date of receipt of funds / securities or statement of account or statement related to it, as the case may be at your registered office.
7. I / We, however, reserve my / our right to revoke this authorization at any time in writing.
8. Further for your information and updation of my data in your records I would like to state as under.
My annual income for the financial year 20__ - 20__ is Rs. _____.
My occupation details as on date is Employed Self-Employed Business Professional
 Housewife Others (Specify) _____

Employed/Self Employed:

Name of the Employer / Establishment : _____

Designation : _____

Address : _____

Thanking you
Yours faithfully,



Signature of Client

Client Name: _____ Client Code: _____

[Note : To be signed by client himself / herself and not by his / her attorney / authorized person, etc.]

MANDATORY

POLICIES & PROCEDURE

a) Policy for Penny Stock

A stock that trades at a relatively low price and market capitalization. These types of stocks are generally considered to be highly speculative and high risk because of their lack of liquidity, large bid-ask spreads, small capitalization and limited following and disclosure. Depending on the market condition and RMS policies of the company RMS reserves the right to refuse to provide the limit in Penny stocks and losses if any on account of such refusal shall be borne by client only.

b) Setting up client's exposure limits

The stock broker may from time to time impose and vary limits on the orders that the client can place through the stock broker's trading system (including exposure limits, turnover limits, limits as to the number, value and / or kind of securities in respect of which orders can be placed, etc.). The client is aware and agrees that the stock broker may need to vary or reduce the limits or impose new limits urgently on the basis of the stock broker's risk perception and other factors considered relevant by the stock broker including but not limited to limits on account of exchange / SEBI directions / limits (such as broker level / market level limits in security specific / volume specific exposures, etc.), and the stock broker may be unable to inform the client of such variation, reduction or imposition in advance. The client agrees that the stock broker shall not be responsible for such variation, reduction or imposition or the client's inability to route any order through the stock broker's trading system on account of any such variation, reduction or imposition of limits. The client further agrees that the stock broker may at any time, at its sole discretion and without prior notice (based on Regulatory actions initiated by SEBI, Exchange or any judicial authority), prohibit or restrict the client's ability to place orders or trade in securities through the stock broker, or it may subject any order placed by the client to a review before its entry into the trading systems and may refuse to execute / allow execution of orders due to but not limited to the reason of lack of margin / securities or the order being outside the limits set by stock broker / exchange / SEBI and any other reasons which the stock broker may deem appropriate in the circumstances. The client agrees that the losses, if any on account of such refusal or due to delay caused by such review, shall be borne exclusively by the client alone.

We have margin based RMS system. Total deposits of the clients are uploaded in the system and client may take exposure on the basis of margin applicable for respective security as per VAR based margining system of the stock exchange and / or margin defined by RMS based on their risk perception. Client may take benefit of "credit for sale", i.e. benefit of share held as margin by selling the same by selecting Delivery option through order entry window on the trading platform, the value of share sold will be added with the value of deposit and on the basis of that client may take fresh exposure.

In case of exposure taken on the basis of shares margin the payment is required to be made before the exchange pay in date otherwise it will be liable to square off after the pay in time or any time due to shortage of margin.

c) Applicable brokerage rate:

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

d) Imposition of penalty / delayed payment charges

Clients will be liable to pay late pay in / delayed payment charges for not making payment of their paying / margin obligation on time as per the exchange requirement / schedule at the rate of 2% per month. Similarly the stock will also be liable to pay delayed payment charges to the client for not making payment of their obligation on time, as per the exchange requirement / schedule at the rate of 2% p.m., except in the cases covered by the "Running Account Authorisation" given by the client to the stock broker. The client agrees that the stock broker may impose fines / penalties for any orders / trades / deals / actions of the client which are contrary to this agreement / rules / regulations / bye laws of the exchange or any other law for the time being in force, at such rates and in such form as it may deem fit. Further where the stock broker has to pay any fine or bear any punishment from any authority in connection with / as a consequence of / in relation to any of the orders / trades / deals / actions of the client, the same shall be borne by the client.

e) The right to sell client's securities or close clients' positions, after giving prior notice to the client on account of non-payment of client's dues.

Without prejudice to the stock brokers other right (including the right to refer the matter to arbitration), the stock broker shall be entitled to liquidate / close out all or any of the clients position after giving prior notice to the client for non-payment of margins or other amounts including the pay in obligation, outstanding debts, etc. and adjust the proceeds of such liquidation / close out, if any, against the clients liabilities / obligations.

The client shall ensure timely availability of funds / securities in for m and manner at designated time and in designated bank and depository account(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 cases of securities lying in margin account /client beneficiary account and having corporate actions like Bonus, Stock split, Right issue, etc., for margin or other purpose the benefit of shares due to be received under Bonus, Stock split, Right issue, etc., will be given when the shares is actually received in the stock broker's designated demat account.

In case the payment of the margin / security is made by the client through a bank instrument, the stock broker shall be at liberty to give the benefit / credit for the same only on the realization of the funds from the said bank instrument, etc., at the absolute discretion of the stock broker. Where the margin /security is made available by way of securities or any other property, the stock broker is empowered to decline its acceptance as margin / security and / or to accept it at such reduced value as the stock broker may deem fit by applying haircuts or by valuing it by marking it to market or by any other method as the stock broker may deem fit in its absolute discretion.

The stock broker has the right but not the obligation, to cancel all pending orders and to sell / close / liquidate all open positions / securities / shares at the pre-defined square off time or when Mark to Market (M-T-M) percentage reaches or crosses stipulated margin percentage, whichever is earlier. The stock broker will have sole discretion to decide referred stipulated margin percentage depending upon the market condition. In the event of such square off, the client agrees to bear all the losses based on actual executed prices, the client shall also be solely liable for all and any penalties and charges levied by the exchange(s).

f) Shortages in obligations arising out of internal netting of trades

Stock broker shall not be obliged to deliver any securities or pay any money to the client unless and until the same has been received by the stock broker from the exchange, the clearing corporation /clearing house or other company or entity liable to make the payment and the client has fulfilled his / her / its obligations first.

The policy and procedure for settlement of shortages in obligations arising out of internal netting of trades is as under:

- a) The Short delivering client is debited by an amount equivalent to 20% above of closing rate of day prior to Pay-in / Payout Day. The securities delivered short are purchased from market on T+2 day and the purchase consideration (inclusive of all statutory taxes & levies) is debited to the short delivering seller client along with reversal entry of provisionally amount debited earlier.
- b) If securities cannot be purchased from market due to any force majeure condition, the short delivering seller is debited at the closing rate on T+2 day or Auction day on Exchange + 10% where the delivery is matched partially or fully at the Exchange Clearing, the delivery and debits / credits shall be as per Exchange Debits and Credits.
- c) In cases of securities having corporate actions all cases of short delivery of cum transactions which cannot be auctioned on cum basis or where the cum basis auctioned on cum basis or where the cum basis auction payout is after the book closure / record date, would be compulsory closed out at higher of 10% above the official closing price on the auction day or the highest traded price from first trading day of the settlement till the auction day.

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

We have margin based RMS system. Client may take exposure up to the amount of margin available with us. Client may not be allowed to take position in case of non-availability / shortage of margin as per our RMS policy of the company. The existing position of the client is also liable to square off/ close out after giving prior notice due to shortage of margin / non- making of payment for their pay-in obligation /outstanding debts.

- h) Temporarily suspending or closing client's account at the client's request. On the request of the client in writing, the client account can be suspended temporarily and same can be activated on the written request of the client only. During the period client account is suspended, the market transaction in the client account will be prohibited. However, client hares / ledger balance settlement can take place. On the request of the client in writing, the client account can be closed provided the client account is settled. If the client wants to reopen the account in that case client has to again complete the KYC requirement.

- i) **De-registering a client:**

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

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

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

Client Acceptance of Policies and Procedures stated here in above:

I/We have fully understood the same and do hereby sign the same and agree not to call into question the validity, enforceability and applicability of any provision / clauses this document any circumstances what so ever. These Policies and Procedures may be amended / changed unilaterally by the broker, provided the change is informed to me / us with through any one or more means or methods. I / we agree never to challenge the same on any grounds including delayed receipt / non- receipt or any other reasons whatsoever. These Policies and Procedures shall always be read along with the agreement and shall be compulsorily refer red to while deciding any dispute / difference or claim between me / us and stock broker before any court of law / judicial / adjudicating authority including arbitrator / mediator, etc.



Client's Signature