

POLICIES AND PROCEDURES

1. Policy for Penny Stock:

Systematix Shares and Stocks (India) Limited (hereinafter referred to as "SSSIL") offer trading facility to its clients in all the compulsorily dematerialized stocks which are listed on Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd. SSSIL discourages / restricts the trades in Penny Stock as per the Risk Management Policy of the Company. The penny stock for this purpose will include the following:

- 1.1 Stocks appearing in the list of illiquid securities issued by the Exchange from time to time.
- 1.2 Stocks which are highly illiquid and have a low market capitalization and 'Z' group securities.
- 1.3 Any securities as may be restricted by the Exchanges from time to time.
- 1.4 Any other securities as may be restricted for trading by SSSIL based on its internal evaluation.

The decision for deciding a stock to be termed as a Penny Stock shall be made by the management of SSSIL. The decision of SSSIL shall be final in this regard. Due to the refusal of trades in penny stocks, losses if any incurred, the same shall be borne by the Client. Further, in case of Internet Trading clients, SSSIL may at any time at its sole discretion block / restrict the client's online trading terminal to prevent the client from placing orders in such penny stocks through the Online Trading Platform of SSSIL. SSSIL shall not be held liable for restricting / prohibiting trade in penny stocks at any time. Further SSSIL shall not be held liable or responsible in any manner whatsoever for any refusal/cancellation of orders for trading in penny stocks/other securities and the Client shall indemnify SSSIL in respect of any loss, whether direct or indirect, caused to SSSIL by virtue of the Client trading in penny stocks.

2. Setting up client's exposure limits:

As part of Risk Management Policy of SSSIL, without prior notice to the clients, SSSIL may from time to time impose and vary limits on the orders that the client can place through SSSIL's trading system (including exposure limits, turnover limits, limits as to the number, value and kind of securities in respect of which orders can be placed etc.). SSSIL would have the sole discretion on setting these limits based on its risk perception of the client, margin received from the client, market conditions and other factors 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.). SSSIL shall not be responsible for such variation, reduction or imposition or the client's inability to route any order through SSSIL's trading system on account of any such variation, reduction or imposition of limits. SSSIL may at any time, at its sole discretion and without prior notice, prohibit or restrict the client's ability to place orders or trade in securities, or it may subject any order placed by the client to a review before its entry into the trading systems any 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 out side the limits set by SSSIL /exchange/SEBI and any other reasons which the SSSIL may deem appropriate in the circumstances. Losses, if any, on account of such refusal or due to delay caused by such review, shall be borne exclusively by the client only. 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 SSSIL 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. The Stock broker shall have the prerogative to allow differential buy and sell limits for its clients depending upon credit worthiness, integrity pass conduct of each client and as per the risk management policy of the stock broker.

3. Applicable Brokerage Rates:

The Brokerage and other charges leviable by SSSIL on the clients are provided in the Form annexed and the same shall be made applicable as per the Tarrif Sheet. With the mutual consent between SSSIL and the client, the rate of brokerage may be changed. However, the brokerage and other charges are subject to the maximum limits as prescribed by SEBI / Exchanges/ Government and other Regulatory authorities from time to time.

4. Imposition of Penalty/ Delayed Payment Charges:

The clients are required to settle the pay-in / provide margin within the time limits provided by Exchanges / SEBI/SSSIL risk management system. In case the client fails to provide the same, clients will be liable to pay late pay in/delayed payment charges for non making payment of their pay-in / margin obligation at the rate upto 2% per month. This is only a penal measure and brings in discipline in the clients to clear the dues in time as SSSIL had to clear its obligations to the Exchange as per the time limits set by the Exchanges. The client shall be liable to pay to SSSIL brokerage, all taxes, duties, levies to the stock exchanges, transaction expenses, F&O charges, delayed payment charges, short delivery charges, auction charges, cheque stop payment charges, cheque bounce charges, incidental expenses such as postage, courier etc. as they apply from time to time to the client's account/transaction/services that the client avails from SSSIL. SSSIL may also impose fines/ penalties for any orders / trades/ deals/ actions of the client which are contrary to this document / rules/ regulations/ byelaws 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 SSSIL 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.

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

As a part of Risk Management System of SSSIL, without prejudice to SSSIL's other right (including the right to refer the matter to arbitration), SSSIL shall have the sole discretion to liquidate/close out all or any of the clients position (including securities maintained as margin with SSSIL and securities lying in client's beneficiary / demat account) without giving 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. Further, the square off of client's open position or the selling of securities may be executed on such Exchanges and at such price as may be decided by SSSIL. SSSIL shall have no obligation of communicating the same to the Client. SSSIL shall not be responsible for any losses incurred by the client due to such squaring off of the open position of the client. The client shall ensure timely availability of funds/securities in form 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. SSSIL reserves the right to square off the open position of client and / or sell client's securities under the prescribed circumstances, however SSSIL is not obligated and does not guarantee to square off the open positions and / or sell client's securities

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 receive under Bonus, Stock split, Right issue etc will be given when the shares are actually received in the stock broker designated demat account. In case the payment of the margin/ security is made by the client through a bank instrument, SSSIL 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 SSSIL. Where the margin / security is made available by way of securities or any other property, the stock broker is empowered to decline its acceptance as margin / security & or / to accept it at such reduced value as SSSIL may deem fit by applying hair cuts or by valuing it by marking it to market or by any other method as SSSIL may deem fit in its absolute discretion. SSSIL has the right but not the obligation, to cancel all pending orders and to sell/close/liquidate all open positions/securities/shares square off time when Mark to Market (M-T-M) Percentage reaches or crosses stipulated margin percentage, whichever is earlier. SSSIL will have sole discretion to decide referred stipulated margin percentage depending upon the market condition. In the event of such square off, the client shall 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. Shortage in obligations arising out of internal netting of trades:

Internal close out policy is as under:

6.1 Close out price will be the Higher of Average Trading Price (ATP) or Close Price on the Auction-day in the scrip or seller trading rate + 2%.

6.2 To summaries the buyer will get credit as given below:

6.2.1. Higher of Average Trading Price (ATP) OR CLOSE on day of Auction,(i.e. T + 3) OR Seller trading Rate PLUS 2%.

6.2.2. The Seller will be debited at SAME RATE, subject to penalty of 1%.

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:

In addition to the conditions as provided under the policy of right to sell securities and close out client's open position as detailed in point 5 above, SSSIL shall have the right but not the obligation to refuse to execute trades/allow the client to take further positions and / or close out the existing positions of client under following circumstances:

7.1. As a result of any Regulatory directive / restriction;

7.2. Non-receipt of funds / securities and / or bouncing of cheque received from the client towards the obligations/ margin/ ledger balances;

7.3. Due to technical reasons;

7.4. securities breaching the limits specified by the Exchanges/regulators from time to time

7.5. in case of failure to meet margin including mark to market margins by the client;

7.6. In case securities to be transacted by client are not in dematerialized form

7.7. Any other conditions as may be specified by SSSIL from time to time in view of market conditions, regulatory requirements, internal policies etc and risk management system;

7.8. Due to any force majeure event beyond the control of SSSIL.

7.9. If in the opinion of SSSIL, the client has committed a fraud, crime or acted in contravention to this document.

7.10 Clients' position is close to client wise permissible open positions

7.11. Intraday orders after the cut off time would not be allowed.

7.12. SEBI having issued its circular CIR/MRD/DP/34/2012 December13, 2012 prescribed a framework of dynamic trade based price checks to prevent aberrant orders or uncontrolled trades . Subsequent, to which Exchanges have issued the guidelines / directives on the orders that can be

accepted and or rejected by the exchanges to prevent aberrant orders or uncontrolled trades. SSSIL shall not be responsible for any loss incurred and the client shall indemnify SSSIL in this regard.

8. Temporary suspending or closing a client's account at the client's request:

SSSIL can suspend/close the client account and also withhold the pay-outs of the client if there is any judicial or/and regulatory order/action requiring suspension/closure of client's account. SSSIL can also suspend/close the client account if it observes any abnormal or suspicious activity in the client account through its monitoring and surveillance of the client account.

SSSIL may also temporarily suspend/close the client account if there is no activity in the client account for a period of one year i.e. as Inactive Account, as deemed fit by the stock broker from time to time. For activation of the account, the client has to give a written request to his/her/their respective branch along with proof of income and address and other details, if any, changed.

The client's account can also be put under temporary suspension/closure if the client has not cleared the uncovered debit in its account or if the client has not submitted Know Your Client (KYC) details sought by the stock broker to fulfil its own surveillance or exchange related requirements.

In the event of information/reports reaching the stock broker of the client's death, the account can also be put under temporary suspension/closure. SSSIL can also put the client's account under temporary suspension/closure if the client has failed to provide or update its communication details like correspondence address, Mobile Number, landline numbers or Email Id.

SSSIL, 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 shares/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.

9. Deregistering a client:

The client has the option to de-register his account after settling his account with SSSIL. The client would be liable to pay all dues in his account before de-registration. Notwithstanding anything to the contrary stated in this document, SSSIL shall be entitled to terminate the relationship with the client with immediate effect in any of the following circumstances:

9.1. 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.

9.2. If there is any commencement of a legal process against the client under any law in force.

9.3. On the death/lunacy or other disability of the client.

9.4. If the client being a partnership firm, has any steps taken by the Client and/or its partners for dissolution of the partnership.

9.5. If the Client suffers any adverse material change in his/her/its financial position or defaults in any other policies & procedures of the stock broker

9.6. If there is unreasonable 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.

- 9.7.** If the Client is in breach of any term, condition or covenant of this document;
- 9.8** If the Client has made any material misrepresentation of facts, including (without limitation) in relation to the security;
- 9.9.** 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;
- 9.10.** If the Client have taken or suffered to be taken any action for its reorganization, liquidation or dissolution;
- 9.11.** 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;
- 9.12.** If any covenant or warranty of the Client is incorrect or untrue in any material respect;

In addition to what the client has agreed in the agreement, SSSIL may terminate a client with immediate effect, but not limited to the following reasons - If the client is debarred by SEBI or any other regulatory authority As a part of surveillance measure, if a client appears to be indulging in manipulative practices. Under the circumstances when there is a reasonable ground to believe that the client is unable to clear its dues or has admitted its inability to pay its debt. If the client violates any of the terms of the agreement.

10. Liquidation Policy

- 10.1.** As per directive of SEBI circular CIR/HO/MIRSD/ DOP/CIR/P/2019/75 dated June 20, 2019 related to Handling of Clients' Securities In case client does not pay for securities which are received in pay-out, then such securities shall be transferred in separate demat account "client unpaid securities account" (CUSA).
- 10.2** If client fails to meet its funds pay-in obligation within T+6 then client shall be put on square off mode on T+7 and no further exposure/limits shall be given.
- 10.3** We shall liquidate securities on T+7 from 11.30 a.m. onwards solely at our discretion with no prior intimation.
- 10.3.** In case of margins available with us is less than 75% any time since your purchase date till T+ 6, we shall immediately liquidate your position solely at our discretion with no prior intimation.
- 10.4.** In case of payment via electronic transfer, fund received shall be adjusted against outstanding on "First in First out" (FIFO) basis.
- 10.6.** In case of cheque payment, cleared credit should be received to our bank accounts on or before T+6, else cheque payment shall not be considered for securities due for square off on T+7.
- 10.7.** In case securities sold from CUSA, we shall adjust settlement wise and securities other than CUSA, shall be adjusted on FIFO basis and liquidation shall be made in following order of the securities:

10.7.1 Nifty 50

10.7.2 Group A (As per the classification of BSE Limited) and would be applicable for other exchanges

10.7.3 Group B (As per the classification of BSE Limited) and would be applicable for other exchanges

10.7.4 Other securities

- 10.9.** Further, in spite of liquidating the stock lying in CUSA account, if there is still debit in client ledger then we shall liquidate the securities lying with us in collateral account/ client collateral account.

11. Treatment of Inactive (Dormant) Accounts

The treatment of Inactive (Dormant) accounts is as per SEBI guidelines issued vide circular No. MIRSD/SE/Cir-19/2009 dated December 3, 2009 and exchange directives issued from time to time. In case trading account, wherein no trades have been carried out since last 12 (Twelve) months across all exchanges shall be flagged as 'Inactive' in exchange portals of respective Exchanges.

We would before marking an account as inactive (dormant) send an update to clients 1) Vide an email and/or sms intimation to client 2) Vide an email to respective branches, with a follow-on reminder. In case no response is received we shall be suspending codes from further trading and thereafter we shall, refrain from trading until the account is reactivation request is received with confirmation from KYC. The client shall be allowed to trade only after account is re-activated. Client can re-activate their account by giving a request in the prescribed form (enclosed) and or vide electronic communication from registered email id, at respective branch / Head Office along with updated details, if any, has been changed. It would be suggestive that income details are also provided by the client. Client has settle on monthly or quarterly basis (as per client preferences) in the manner prescribed from time to time.

I/we have fully understood the Policies and Procedures and do hereby sign the same and agree not to question the validity, enforceability and applicability of any provision/clauses of this document in any circumstances whatsoever. I/we also understand and acknowledge that these Policies and Procedures are subject to amendment/ change unilaterally by the broker as deemed necessary, provided the change is informed to me/us with through any one or more means or methods. I agree never to challenge the same on any grounds including delay receipt / non receipt or any other reasons whatsoever. These Policies and Procedures shall always be read along with the Rights & Obligations of Stock Brokers, Sub Brokers & Clients and shall be compulsorily referred 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.

The above policies and procedures are subject to change / updation by SSSIL from time to time. The updated policies and procedures of SSSIL shall be posted on the website of SSSIL [www.systematixshares.com./](http://www.systematixshares.com/)www.systematixgroup.in Clients are required to refer to the updated policies and procedures and abide by the same.

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POLICIES AND PROCEDURES

1. Refusal of orders for Commodity Derivatives

The client is aware and agrees that Systematix Shares and Stocks (India) Limited (hereinafter referred to as "SSSIL") may refuse or restrict a client in placing the order in certain commodities depending on various conditions like volume / value / part of illiquid commodities although a client may have credit balance or sufficient margin in the trading account. However, Commodity broker under exceptional circumstances may execute client's order. The Commodity broker has the discretion to reject execution of such orders based on its risk perception.

The decision for identifying such commodity contracts shall be made by the management of SSSIL. The decision of SSSIL shall be final in this regard. Due to the refusal of trades, losses if any incurred, the same shall be borne by the Client. Further, in case of Internet Trading clients, SSSIL may at any time at its sole discretion block / restrict the client's online trading terminal to prevent the client from placing orders in such contracts through the Online Trading Platform of SSSIL. SSSIL shall not be held liable for restricting / prohibiting such trades. Further SSSIL shall not be held liable or responsible in any manner whatsoever for any refusal/cancellation of orders for trading in such commodity contracts and the Client shall indemnify SSSIL in respect of any loss, whether direct or indirect, caused to SSSIL by virtue of the Client trading in such commodity contracts.

2. Setting up client's exposure limits:

As part of Risk Management Policy of SSSIL, without prior notice to the clients, SSSIL may from time to time impose and vary limits on the orders that the client can place through SSSIL's trading system (including exposure limits, turnover limits, limits as to the number, value and kind of securities in respect of which orders can be placed etc.). SSSIL would have the sole discretion on setting these limits based on its risk perception of the client, margin received from the client, market conditions and other factors 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.). SSSIL shall not be responsible for such variation, reduction or imposition or the client's inability to route any order through SSSIL's trading system on account of any such variation, reduction or imposition of limits. SSSIL may at any time, at its sole discretion and without prior notice, prohibit or restrict the client's ability to place orders or trade in securities, or it may subject any order placed by the client to a review before its entry into the trading systems any 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 out side the limits set by SSSIL /exchange/SEBI and any other reasons which the SSSIL may deem appropriate in the circumstances. Losses, if any, on account of such refusal or due to delay caused by such review, shall be borne exclusively by the client only. 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 SSSIL 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. The Commodity broker shall have the prerogative to allow differential buy and sell limits for its clients depending upon credit worthiness, integrity pass conduct of each client and as per the risk management policy of the Commodity broker.

3. Applicable Brokerage Rates:

The Brokerage and other charges livable by SSSIL on the clients are provided in the Form annexed and the same shall be made applicable as per the Tariff Sheet. With the mutual consent between SSSIL and the client, the rate of brokerage may be changed. However, the brokerage and other charges are subject to the maximum limits as prescribed by SEBI / Exchanges/ Government and other Regulatory authorities from time to time.

4. Imposition of Penalty/ Delayed Payment Charges:

The clients are required to settle the pay-in / provide margin within the time limits provided by Exchanges / SEBI/SSSIL risk management system. In case the client fails to provide the same, clients will be liable to pay late pay in/delayed payment charges for non making payment of their pay-in / margin obligation at the rate upto 2% per month. This is only a penal measure and brings in discipline in the clients to clear the dues in time as SSSIL had to clear its obligations to the Exchange as per the time limits set by the Exchanges. The client shall be liable to pay to SSSIL brokerage, all taxes, duties, levies to the stock exchanges, transaction expenses, F&O charges, delayed payment charges, short delivery charges, auction charges, cheque stop payment charges, cheque bounce charges, incidental expenses such as postage, courier etc. as they apply from time to time to the client's account/transaction/services that the client avails from SSSIL. SSSIL may also impose fines/ penalties for any orders / trades/ deals/ actions of the client which are contrary to this document / rules/ regulations/ byelaws 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 SSSIL 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.

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

As a part of Risk Management System of SSSIL, without prejudice to SSSIL's other right (including the right to refer the matter to arbitration), SSSIL shall have the sole discretion to liquidate/close out all or any of the clients position (including securities maintained as margin with SSSIL and securities lying in client's beneficiary / demat account) without giving 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. Further, the square off of client's open position or the selling of securities may be executed on such Exchanges and at such price as may be decided by SSSIL. SSSIL shall have no obligation of communicating the same to the Client. SSSIL shall not be responsible for any losses incurred by the client due to such squaring off of the open position of the client. The client shall ensure timely availability of funds/securities in form 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. SSSIL reserves the right to square off the open position of client and / or sell client's securities under the prescribed circumstances, however SSSIL is not obligated and does not guarantee to square off the open positions and / or sell client's securities

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 receive under Bonus, Stock split, Right issue etc will be given when the shares are actually received in the commodity broker designated demat account. In case the payment of the margin/ security is made by the client through a bank instrument, SSSIL 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 SSSIL. Where the margin / security is made available by way of securities or any other property, the Commodity broker is empowered to decline its acceptance as margin / security & or / to accept it at such reduced value as SSSIL may deem fit by applying hair cuts or by

valuing it by marking it to market or by any other method as SSSIL may deem fit in its absolute discretion. SSSIL has the right but not the obligation, to cancel all pending orders and to sell/close/liquidate all open positions/securities/shares square off time when Mark to Market (M-T-M) Percentage reaches or crosses stipulated margin percentage, whichever is earlier. SSSIL will have sole discretion to decide referred stipulated margin percentage depending upon the market condition. In the event of such square off, the client shall 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. Conditions under which a client may not be allowed to take further position or the broker may close the existing position of a client:

In addition to the conditions as provided under the policy of right to sell securities and close out client's open position as detailed in point 5 above, SSSIL shall have the right but not the obligation to refuse to execute trades/allow the client to take further positions and / or close out the existing positions of client under following circumstances:

- 6.1.** As a result of any Regulatory directive / restriction;
- 6.2.** Non-receipt of funds / securities and / or bouncing of cheque received from the client towards the obligations/ margin/ ledger balances;
- 6.3.** Due to technical reasons;
- 6.4.** securities breaching the limits specified by the Exchanges/regulators from time to time
- 6.5.** in case of failure to meet margin including mark to market margins by the client;
- 6.6.** In case securities to be transacted by client are not in dematerialized form
- 6.7.** Any other conditions as may be specified by SSSIL from time to time in view of market conditions, regulatory requirements, internal policies etc and risk management system;
- 6.8.** Due to any force majeure event beyond the control of SSSIL.
- 6.9.** If in the opinion of SSSIL, the client has committed a fraud, crime or acted in contravention to this document.
- 6.10** Clients' position is close to client wise permissible open positions
- 6.11.** Intraday orders after the cut off time would not be allowed.

7. Temporary suspending or closing a client's account at the client's request:

SSSIL can suspend/close the client account and also withhold the pay-outs of the client if there is any judicial or/and regulatory order/action requiring suspension/closure of client's account. SSSIL can also suspend/close the client account if it observes any abnormal or suspicious activity in the client account through its monitoring and surveillance of the client account.

SSSIL may also temporarily suspend/close the client account if there is no activity in the client account for a period of one year i.e. as Inactive Account, as deemed fit by the Commodity broker from time to time. For activation of the account, the client has to give a written request to his/her/their respective branch along with proof of income and address and other details, if any, changed.

The client's account can also be put under temporary suspension/closure if the client has not cleared the uncovered debit in its account or if the client has not submitted Know Your Client (KYC) details sought by the Commodity broker to fulfil its own surveillance or exchange related requirements.

In the event of information/reports reaching the Commodity broker of the client's death, the account can also be put under temporary suspension/closure. SSSIL can also put the client's account

under temporary suspension/closure if the client has failed to provide or update its communication details like correspondence address, Mobile Number, landline numbers or Email Id.

SSSIL, 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 shares/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.

8. Deregistering a client:

The client has the option to de-register his account after settling his account with SSSIL. The client would be liable to pay all dues in his account before de-registration. Notwithstanding anything to the contrary stated in this document, SSSIL shall be entitled to terminate the relationship with the client with immediate effect in any of the following circumstances:

- 8.1.** 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.
- 8.2.** If there is any commencement of a legal process against the client under any law in force.
- 8.3.** On the death/lunacy or other disability of the client.
- 8.4.** If the client being a partnership firm, has any steps taken by the Client and/or its partners for dissolution of the partnership.
- 8.5.** If the Client suffers any adverse material change in his/her/its financial position or defaults in any other policies & procedures of the Commodity broker
- 8.6.** If there is unreasonable 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.
- 8.7.** If the Client is in breach of any term, condition or covenant of this document;
- 8.8.** If the Client has made any material misrepresentation of facts, including (without limitation) in relation to the security;
- 8.9.** 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;
- 8.10.** If the Client have taken or suffered to be taken any action for its reorganization, liquidation or dissolution;
- 8.11.** 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;
- 8.12.** If any covenant or warranty of the Client is incorrect or untrue in any material respect;

In addition to what the client has agreed in the agreement, SSSIL may terminate a client with immediate effect, but not limited to the following reasons - If the client is debarred by SEBI or any other regulatory authority As a part of surveillance measure, if a client appears to be indulging in manipulative practices. Under the circumstances when there is a reasonable ground to believe that the client is unable to clear its dues or has admitted its inability to pay its debt. If client violates any of the terms of the agreement.

9. Treatment of Inactive (Dormant) Accounts

The treatment of Inactive (Dormant) accounts is as per SEBI guidelines issued vide circular No. MIRSD/SE/Cir-19/2009 dated December 3, 2009 and exchange directives issued from time to time

In case trading account, wherein no trades have been carried out since last 12 (Twelve) months across all exchanges shall be flagged as 'Inactive' in exchange portals of respective Exchanges

We would before marking an account as inactive (dormant) send an update to clients 1) Vide an email and/or sms intimation to client 2) Vide an email to respective branches, with a follow-on reminder. In case no response is received we shall be suspending codes from further trading and thereafter we shall, refrain from trading until the account is reactivation request is received with confirmation from KYC. The client shall be allowed to trade only after account is re-activated. Client can re-activate their account by giving a request in the prescribed form (enclosed) and or vide electronic communication from registered email id, at respective branch / Head Office along with updated details, if any, has been changed. It would be suggestive that income details are also provided by the client. Client has settle on monthly or quarterly basis (as per client preferences) in the manner prescribed from time to time.

I/we have fully understood the Policies and Procedures and do hereby sign the same and agree not to question the validity, enforceability and applicability of any provision/clauses of this document in any circumstances what so ever. I/we also understand and acknowledge that these Policies and Procedures are subject to amendment/ change unilaterally by the broker as deemed necessary, provided the change is informed to me/us with through any one or more means or methods. I agree never to challenge the same on any grounds including delay receipt / non receipt or any other reasons whatsoever. These Policies and Procedures shall always be read along with the Rights & Obligations of Commodity brokers, Sub Brokers & Clients and shall be compulsorily referred to while deciding any dispute / difference or claim between me / us and Commodity broker before any court of law / judicial / adjudicating authority including arbitrator/ mediator etc.

The above policies and procedures are subject to change / updation by SSSIL from time to time. The updated policies and procedures of SSSIL shall be posted on the website of SSSIL www.systematixshares.com./www.systematixgroup.in Clients are required to refer to the updated policies and procedures and abide by the same.