

Additional Risk Disclosure documents for Options Trading**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.

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.

Annexure - 2

RISK DISCLOSURE DOCUMENT

The Exchange does neither expressly or impliedly, guarantee nor make any representation concerning the completeness, the adequacy or accuracy of this disclosure document nor has the Exchange endorsed or passed any merits of participating in the Commodity Derivatives market / trading. This brief statement does not disclose all of the risks and other significant aspects of trading. You should, therefore, study derivatives trading carefully before becoming involved in it.

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 investment in commodity futures contracts / derivatives or other instruments traded on the Commodity Exchange(s), 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 the Exchange and suffer adverse consequences or loss, you shall be solely responsible for the same and the Exchange 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 member. The Client 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 commodity derivatives being traded on the Exchange.

It must be clearly understood by you that your dealings on the Exchange through a member shall be subject to your fulfilling certain formalities set out by the member, which may *inter alia* include your filling the know your client form and are subject to the Rules, Byelaws and Regulations of the Exchange guidelines prescribed by SEBI from time to time and Circulars as may be issued by the Exchange from time to time.

The Exchange 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 member of the Exchange 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 / investment 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, you should be aware of or must get acquainted with the following:-

1. BASIC RISKS INVOLVED IN THE TRADING OF COMMODITY FUTURES CONTRACTS AND OTHER COMMODITY DERIVATIVES INSTRUMENTS ON THE EXCHANGE :

i. Risk of Higher Volatility:

Volatility refers to the dynamic changes in price that a commodity derivative contracts undergo when trading activity continues on the Commodity Exchange. Generally, higher the volatility of a commodity derivatives contract, greater is its price swings. There may be normally greater volatility in thinly traded commodity derivatives contracts than in actively traded commodities / 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.

ii. Risk of Lower Liquidity:

a. Liquidity refers to the ability of market participants to buy and/or sell commodity derivative contract 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 commodity derivative contracts swiftly and with minimal price difference, and as a result, investors are more likely to pay or receive a competitive price for commodity derivative contracts purchased or sold. There may be a risk of lower liquidity in some commodity derivative contracts as compared to active commodity derivative 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.

b. Buying / selling without intention of giving and / or taking delivery of certain commodities may also result into losses, because in such a situation, commodity derivative contracts may have to be squared-off at low / high prices, compared to the expected price levels, so as not to have any obligation to deliver / receive such commodities.

iii. Risk of Wider Spreads:

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

iv. Risk-reducing orders:

- a. Most of the Exchanges, have a facility for investors to place “limit orders” , “stop loss orders” etc. Placing of such 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.
- b. 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 commodity derivatives contract.
- c. A “limit” order will be executed only at the “limit” price specified for the order or a better price. However, while the client received price protection, there is a possibility that the order may not be executed at all.
- d. A stop loss order is generally placed “away” from the current price of a commodity derivatives contract, and such order gets activated if and when the 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 contract approaches 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 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.

v. Risk of News Announcements:

- a. Traders / Manufacturers make news announcements that may impact the price of the commodities and / or commodity derivatives contracts. These announcements 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 commodity / commodity derivatives contract.

vi. Risk of Rumours:

- a. Rumours about the price of a commodity at times float in the market through word of mouth, newspapers, websites or news agencies, etc. The investors should be wary of and should desist from acting on rumours.

vii. System Risk:

- a. 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.
- b. 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 confirmation.
- c. 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 commodity due to any action on account of unusual trading activity or price hitting circuit filters or for any other reason.

viii. System/Network Congestion:

- a. Trading on the Exchange 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 Futures Commodity Derivatives are concerned, please note and get yourself acquainted with the following additional features:-

Effect of “Leverage” or “Gearing”:

- a. The amount of margin is small relative to the value of the commodity derivatives contract so the transactions are ‘leveraged’ or ‘geared’. Commodity Derivatives trading, which is conducted with a relatively small amount of margin, provides the possibility of great profit or loss in comparison with the principal investment amount. But transactions in commodity derivatives carry a high degree of risk. You should therefore completely understand the following statements before actually trading in commodity derivatives contracts and also trade with caution while taking into account one’s circumstances, financial resources, etc.
- b. Trading in Futures Commodity Derivatives involves daily settlement of all positions. Every day the open positions are marked to market based on the closing price. If the closing price has moved against you, you will be required to deposit the amount of loss (notional) resulting from such movement. This margin will have to be paid within a stipulated time frame, generally before commencement of trading on the next day.
- c. If you fail to deposit the additional margin by the deadline or if an outstanding debt occurs in your account, the Member of the Exchange may liquidate / square-up a part of or the whole position. In this case, you will be liable for any losses incurred due to such square-up / close-outs.
- d. Under certain market conditions, an Investor may find it difficult or impossible to execute the 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.
- e. Steps such as changes in the margin rate, increase in the cash margin rate etc may be adopted in order to maintain market stability. These new measures may be applied to the existing open interests. In such conditions, you will be required to put up additional margins or reduce your positions.
- f. You must ask your Member of the Exchange to provide the full details of commodity derivatives contracts you plan to trade i.e. the contract specifications and the associated obligations.

3. TRADING THROUGH WIRELESS TECHNOLOGY OR ANY OTHER TECHNOLOGY:

Any additional provisions defining the features, risks, responsibilities, obligations and liabilities associated with commodities trading through wireless technology or any other technology should be brought to the notice of the client by the Member.

4. GENERAL

i. Deposited cash and property :

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

ii. Commission and other charges :

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

iii. For Rights and obligations of the members / Authorized Persons / Clients, please refer Annexure -3.

iv. The term ‘constituent’ shall mean and include a client, a customer or an Investor, who deals with a Member for the purpose of trading in the commodity derivatives through the mechanism provided by the Exchange.

v. The term ‘Member’ shall mean and include a Trading Member or a Member/Broker, who has been admitted as such by the Exchange and got a Unique Member code from SEBI.

Annexure - 3

RIGHTS AND OBLIGATIONS OF MEMBERS, AUTHORIZED PERSONS AND CLIENTS as prescribed by SEBI and Commodity Exchanges

1. The client shall invest/trade in those commodities / contracts / other instruments admitted to dealings on the Exchanges as defined in the Rules, Byelaws and Business Rules / Regulations of Exchanges / SEBI and circulars / notices issued there under from time to time.
 2. The Member, Authorized Person and the client shall be bound by all the Rules, Byelaws and Business Rules of the Exchange and circulars / notices issued there under and Rules and Regulations of SEBI and relevant notifications of Government authorities as may be in force from time to time.
 3. The client shall satisfy itself of the capacity of the Member to deal in commodities and/or deal in derivatives contracts and wishes to execute its orders through the Member and the client shall from time to time continue to satisfy itself of such capability of the Member before executing orders through the Member.
 4. The Member shall continuously satisfy itself about the genuineness and financial soundness of the client and investment objectives relevant to the services to be provided.
 5. The Member shall take steps to make the client aware of the precise nature of the Member's liability for business to be conducted, including any limitations, the liability and the capacity in which the Member acts.
 6. Requirements of professional diligence
 - a. The Member must exercise professional diligence while entering into a financial contract or discharging any obligations under it.
 - b. "professional diligence" means the standard of skill and care that a Member would be reasonably expected to exercise towards a Client, commensurate with -
 - i. honest market practice;
 - ii. the principle of good faith;
 - iii. the level of knowledge, experience and expertise of the Client;
 - iv. the nature and degree of risk embodied in the financial product* or financial service being availed by the Client; and
 - v. the extent of dependence of the Client on the Member.
- * Commodity derivative contract
7. The Authorized Person shall provide necessary assistance and co-operate with the Member in all its dealings with the client(s).

CLIENT INFORMATION

8. The client shall furnish all such details in full as are required by the Member in "Account Opening Form" with supporting details, made mandatory by commodity exchanges/SEBI from time to time.
 9. The client shall familiarize himself with all the mandatory provisions in the Account Opening documents. Any additional clauses or documents specified by the Member shall be non-mandatory; therefore, subject to specified acceptance by the client.
 10. The client shall immediately notify the Member in writing if there is any change in the information in the 'account opening form' as provided at the time of account opening and thereafter; including the information on winding up petition/insolvency petition or any litigation which may have material bearing on his capacity. The client shall provide/update the financial information to the Member on a periodic basis.
 11. A. Protection from unfair terms in financial contracts**
 - a. An unfair term of a non-negotiated contract will be void.
 - b. A term is unfair if it -
 - i. causes a significant imbalance in the rights and obligations of the parties under the financial contract, to the detriment of the Client; and
 - ii. is not reasonably necessary to protect the legitimate interests of the Member.
 - c. The factors to be taken into account while determining whether a term is unfair, include -
 - i. the nature of the financial product or financial service dealt with under the financial contract;
 - ii. the extent of transparency of the term;
- **contracts offered by commodity exchanges
- iii. the extent to which the term allows a Client to compare it with other financial contracts for similar financial products or financial services; and
 - iv. the financial contract as a whole and the terms of any other contract on which it is dependent.

11. B.
 - a. "Non-negotiated contract" means a contract whose terms, other than the terms contained in point 11.c (given below) are not negotiated between the parties to the financial contract and includes -
 - i. a financial contract in which, relative to the Client, the Member has a substantially greater bargaining power in determining terms of the financial contract; and
 - ii. a standard form contract.
 - b. "Standard form contract" means a financial contract that is substantially not negotiable for the Client except for the terms contained in point 11.c.
 - c. Even if some terms of a financial contract are negotiated in form, the financial contract may be regarded as a non-negotiated contract if so indicated by -
 - i. an overall and substantial assessment of the financial contract; and
 - ii. the substantial circumstances surrounding the financial contract
 - d. In a claim that a financial contract is a non-negotiated contract, the onus of demonstrating otherwise will be on the Member.
11. C.
 - a. The above does not apply to a term of a financial contract if it -
 - i. defines the subject matter of the financial contract;
 - ii. sets the price that is paid, or payable, for the provision of the financial product or financial service under the financial contract and has been clearly disclosed to the Client; or
 - iii. is required, or expressly permitted, under any law or regulations.
 - b. The exemption under point 11.c does not apply to a term that deals with the payment of an amount which is contingent on the occurrence or non-occurrence of any particular event.
12. The Member and Authorized Person shall maintain all the details of the client as mentioned in the account opening form or any other information pertaining to the client, confidentially and that they shall not disclose the same to any person/authority except as required under any law/regulatory requirements. Provided however that the Member may so disclose information about his client to any person or authority with the express permission of the client.
13. A. Protection of personal information and confidentiality
 - a. "Personal information" means any information that relates to a Client or allows a Client's identity to be inferred, directly or indirectly, and includes -
 - a. name and contact information;
 - b. biometric information, in case of individuals
 - c. information relating to transactions in, or holdings of, financial products
 - d. information relating to the use of financial services; or
 - e. such other information as may be specified.
3. B.
 - a. A member must -
 - i. not collect personal information relating to a Client in excess of what is required for the provision of a financial product or financial service;
 - ii. maintain the confidentiality of personal information relating to Clients and not disclose it to a third party, except in a manner expressly permitted under point 13.B.b;
 - iii. make best efforts to ensure that any personal information relating to a Client that it holds is accurate, up to date and complete;
 - iv. ensure that Clients can obtain reasonable access to their personal information, subject to any exceptions that the Regulator may specify; and
 - v. allow Clients an effective opportunity to seek modifications to their personal information to ensure that the personal information held by the Member is accurate, up to date and complete.
 - b. A member may disclose personal information relating to a Client to a third party only if -
 - i. it has obtained prior written informed consent of the Client for the disclosure, after giving the Client an effective opportunity to refuse consent;
 - ii. the Client has directed the disclosure to be made;

- iii. the Regulator has approved or ordered the disclosure, and unless prohibited by the relevant law or regulations, the client is given an opportunity to represent under such law or regulations against such disclosure;
- iv. the disclosure is required under any law or regulations, and unless prohibited by such law or regulations, the Client is given an opportunity to represent under such law or regulations against such disclosure;
- v. the disclosure is directly related to the provision of a financial product or financial service to the Client, if the Member -
 - 1. informs the Client in advance that the personal information may be shared with a third party; and
 - 2. makes arrangements to ensure that the third party maintains the confidentiality of the personal information in the same manner as required under this part; or
- c. "Third party" means any person other than the concerned Member, including a person belonging to the same group as the Member.

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

- a. Member must ensure fair disclosure of information that is likely to be required by a Client to make an informed transactional decision.
- b. In order to constitute fair disclosure, the information must be provided -
 - i. sufficiently before the Client enters into a financial contract, so as to allow the Client reasonable time to understand the information;
 - ii. in writing and in a manner that is likely to be understood by a Client belonging to a particular category; and
 - iii. in a manner that enables the Client to make reasonable comparison of the financial product or financial service with other similar financial products or financial services.
- c. The types of information that must be disclosed to a Client in relation to a financial product or financial service, which may include information regarding -
 - i. main characteristics of the financial product or financial service, including its features, benefits and risks to the Client;
 - ii. consideration to be paid for the financial product or financial service or the manner in which the consideration is calculated;
 - iii. existence, exclusion or effect of any term in the financial product or financial contract;
 - iv. nature, attributes and rights of the Member, including its identity, regulatory status and affiliations;
 - v. contact details of the Member and the methods of communication to be used between the Member and the Client;
 - vi. rights of the Client to rescind a financial contract within a specified period; or
 - vii. rights of the Client under any law or regulations.

14. B.

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

MARGINS

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

TRANSACTIONS AND SETTLEMENTS

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

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

BROKERAGE

22. The Client shall pay to the Member brokerage and statutory levies as are prevailing from time to time and as they apply to the Client's account, transactions and to the services that Member renders to the Client. The Member shall not charge brokerage more than the maximum brokerage permissible as per the Rules, Business Rules and Bye-laws of the relevant commodity exchanges and/or Rules of SEBI.

LIQUIDATION AND CLOSE OUT OF POSITION

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

DISPUTE RESOLUTION

25. The Member shall co-operate in redressing grievances of the client in respect of all transactions routed through it.
26. The client and the Member shall refer any claims and/or disputes with respect to deposits, margin money, etc., to arbitration as per the Rules, Byelaws and Business Rules of the Exchanges where the trade is executed and circulars/ notices issued there under as may be in force from time to time.
27. The client/Member understands that the instructions issued by an authorized representative for dispute resolution, if any, of the client/Member shall be binding on the client/Member in accordance with the letter authorizing the said representative to deal on behalf of the said client/Member.
28. Requirement for each member to have an effective grievance redress mechanism which is accessible to all its Clients
 - a. A Member must have in place an effective mechanism to receive and redress complaints from its Clients in relation to financial products or financial services provided by it, or on its behalf, in a prompt and fair manner.
 - b. A Member must inform a Client, at the commencement of relationship with the Client and at such other time when the information is likely to be required by the Client, of -
 - i. the Client's right to seek redress for any complaints; and
 - ii. the processes followed by the Member to receive and redress complaints from its Clients.
29. A. Suitability of advice for the Client

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

 - a. A Member must -
 - i. make all efforts to obtain correct and adequate information about the relevant personal circumstances of a Client; and
 - ii. ensure that the advice given is suitable for the Client after due consideration of the relevant personal circumstances of the Client.

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

30. Dealing with conflict of interest

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

- a. A Member must -
 - i. provide a Client with information regarding any conflict of interests, including any conflicted remuneration that the member has received or expects to receive for making the advice to the Client; and
 - ii. give priority to the interests of the Client if the Member knows, or reasonably ought to know, of a conflict between -
 - 1. its own interests and the interests of the Client; or
 - 2. the interests of the concerned Member and interests of the Client, in case where the Member is a financial representative.
- b. The information under point 16 a.i. Must be given to the Client in writing and in a manner that is likely to be understood by the Client and a written acknowledgement of the receipt of the information should be obtained from the Client.
- c. In this section, "conflicted remuneration" means any benefit, whether monetary or non-monetary, derived by a member from persons other than Clients, that could, under the circumstances, reasonably be expected to influence the advice given by the member to a Client.

TERMINATION OF RELATIONSHIP

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

ADDITIONAL RIGHTS AND OBLIGATIONS

- 34. The Member and client shall reconcile and settle their accounts from time to time as per the Rules, Business Rules, Bye Laws, Circulars, Notices and Guidelines issued by SEBI and the relevant Exchanges where the trade is executed.
- 35. The Member shall issue a contract note to his clients for trades executed in such format as may be prescribed by the Exchange from time to time containing records of all transactions including details of order number, trade number, trade time, trade price, trade quantity, details of the derivatives contract, client code, brokerage, all charges levied etc. and with all other relevant details as required therein to be filled in and issued in such manner and within such time as prescribed by the Exchange. The Member shall send contract notes to the investors within 24 hours of the execution of the trades in hard copy and/or in electronic form using digital signature.
- 36. The Member shall make pay out of funds or delivery of commodities as per the Exchange Rules, Bye-Laws, Business Rules and Circulars, as the case may be, to the Client on receipt of the payout from the relevant Exchange where the trade is executed unless otherwise specified by the client and subject to such terms and conditions as may be prescribed by the relevant Exchange from time to time where the trade is executed.
- 37. The Member shall send a complete 'Statement of Accounts' for both funds and commodities in respect of each of its clients in such periodicity and format within such time, as may be prescribed by the relevant Exchange, from time to time, where the trade is executed. The Statement shall also state that the client shall report errors, if any, in the

Statement 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 Commodity broker.

38. The Member shall send margin statements to the clients on daily basis. Margin statement should include, inter-alia, details of collateral deposited, collateral utilized and collateral status (available balance/due from client) with break up in terms of cash, Fixed Deposit Receipts (FDRs), Bank Guarantee, warehouse receipts, securities etc.
39. The Client shall ensure that it has the required legal capacity to, and is authorized to, enter into the relationship with Member and is capable of performing his obligations and undertakings hereunder. All actions required to be taken to ensure compliance of all the transactions, which the Client may enter into shall be completed by the Client prior to such transaction being entered into.
40. In case, where a member surrenders his/her/its membership, Member gives a public notice inviting claims, if any, from investors. In case of a claim relating to transactions executed on the trading system of the Exchange, ensure that client lodge a claim with the Exchange within the stipulated period and with the supporting documents.
41. A. Protection from unfair conduct which includes misleading conduct & abusive conduct
 - a. Unfair conduct in relation to financial products or financial services is prohibited.
 - a. "Unfair conduct" means an act or omission by a member or its financial representative that significantly impairs, or is likely to significantly impair, the ability of a Client to make an informed transactional decision and includes -
 - i. misleading conduct under point 41.B;
 - ii. abusive conduct under point 41.c
 - iii. such other conduct as may be specified.
41. B.
 - a. Conduct of a Member or its financial representative in relation to a determinative factor is misleading if it is likely to cause the Client to take a transactional decision that the Client would not have taken otherwise, and the conduct involves -
 - i. providing the Client with inaccurate information or information that the member or financial representative does not believe to be true; or
 - ii. providing accurate information to the Client in a manner that is deceptive.
 - b. In determining whether a conduct is misleading under point 41.B.a, the following factors must be considered to be "determinative factors" -
 - i. the main characteristics of a financial product or financial service, including its features, benefits and risks to the Client;
 - ii. the Client's need for a particular financial product or financial service or its suitability for the Client;
 - iii. the consideration to be paid for the financial product or financial service or the manner in which the consideration is calculated;
 - iv. the existence, exclusion or effect of any term in a financial contract, which is material term in the context of that financial contract;
 - v. the nature, attributes and rights of the Member, including its identity, regulatory status and affiliations; and
 - vi. the rights of the Client under any law or regulations.
41. C.
 - a. A conduct of a Member or its financial representative in relation to a financial product or financial service is abusive if it -
 - i. involves the use of coercion or undue influence; and
 - ii. causes or is likely to cause the Client to take a transactional decision that the Client would not have taken otherwise.
 - b. In determining whether a conduct uses coercion or undue influence, the following must be considered -
 - i. the timing, location, nature or persistence of the conduct;
 - ii. the use of threatening or abusive language or behaviour;
 - iii. the exploitation of any particular misfortune or circumstance of the Client, of which the Member is aware, to influence the Client's decision with regard to a financial product or financial service;
 - iv. any non-contractual barriers imposed by the Member where the Client wishes to exercise rights under a financial contract, including -
 - v. the right to terminate the financial contract;
 - vi. the rights to switch to another financial product or another Member and
 - vii. a threat to take any action, depending on the circumstances in which the threat is made.

ELECTRONIC CONTRACT NOTES (ECN)

42. In case, client opts to receive the contract note in electronic form, he shall provide an appropriate e-mail id (created by the client) to the Member (Kindly refer Appendix A of Annexure 3). Member shall ensure that all the Rules / Business Rule / Bye-Laws / circulars issued from time to time in this regard are complied with. The client shall communicate to the Member any change in the email-id through a physical letter. If the client has opted for internet trading, the request for change of email id may be made through the secured access by way of client specific user id and password.
43. The Member shall ensure that all ECNs sent through the e-mail shall be digitally signed, encrypted, non-tamperable and in compliance with the provisions of the IT Act, 2000. In case, ECN is sent through e-mail as an attachment, the attached file shall also be secured with the digital signature, encrypted and non-tamperable.
44. The client shall note that non-receipt of bounced mail notification by the Member shall amount to delivery of the contract note at the e-mail ID of the client.
45. The Member shall retain ECN and acknowledgement of the e-mail in a soft and non-tamperable form in the manner prescribed by the exchange in compliance with the provisions of the IT Act, 2000 and as per the extant rules/circulars/guidelines issued by SEBI/Commodity Exchanges from time to time. The proof of delivery i.e., log report generated by the system at the time of sending the contract notes shall be maintained by the Member for the specified period under the extant rules/circulars/guidelines issued by SEBI/Commodity exchanges. The log report shall provide the details of the contract notes that are not delivered to the client/e-mails rejected or bounced back. The Member shall take all possible steps to ensure receipt of notification of bounced mails by him at all times within the stipulated time period under the extant rules/circulars/guidelines issued by SEBI/Commodity exchanges.
46. The Member shall continue to send contract notes in the physical mode to such clients who do not opt to receive the contract notes in the electronic form. Wherever the ECNs have not been delivered to the client or has been rejected (bouncing of mails) by the e-mail ID of the client, the Member shall send a physical contract note to the client within the stipulated time under the extant Regulations/ Rules, Bye-Laws, Business Rules and Circulars of SEBI/ Commodity exchanges and maintain the proof of delivery of such physical contract notes.
47. In addition to the e-mail communication of the ECNs to the client, the Member shall simultaneously publish the ECN on his designated web-site, if any, in a secured way and enable relevant access to the clients and for this purpose, shall allot a unique user name and password to the client, with an option to the client to save the contract note electronically and/or take a print out of the same.
48. The Electronic Contract Note (ECN) declaration form will be obtained from the Client who opts to receive the contract note in electronic form. This declaration will remain valid till it is revoked by the client.

LAW AND JURISDICTION

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

INTERNET & WIRELESS TECHNOLOGY BASED TRADING FACILITY PROVIDED BY MEMBERS TO CLIENT

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

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

Annexure - 4

GUIDANCE NOTE - DO's AND DON'Ts FOR The CLIENTS

Do's

1. Trade only through Registered Members of the Exchange. Check from the Exchange website at following link <http://www.mcxindia.com/membership/notice-board/Member-AP> to see whether the Member is registered with the Exchange.
2. Insist on filling up a standard "Know Your Client (KYC)" form before you commence trading.
3. Insist on getting a Unique Client Code (UCC) and ensure all your trades are done under the said UCC.
4. Insist on reading and signing a standard 'Risk Disclosure Agreement'.
5. Obtain a copy of your KYC and/ or other documents executed by you with the Member, from the Member.
6. Cross check the genuineness of trades carried out at the Exchange through the trade verification facility available on the Exchange website at the following link <http://www.mcxindia.com/en/login>. The trades can be verified online where trade information is available up to 5 working days from the trade date.
7. Insist on a duly signed Contract Note in specified format for every executed trade within 24 hours of trade, highlighting the details of the trade along with your UCC.
8. Ensure that the Contract Note contains all the relevant information such as Member Registration Number, Order No., Order Date, Order time, Trade No., Trade rate, Quantity, Arbitration Clause, etc.
9. Obtain receipt for collaterals deposited with the Member towards margins.
10. Go through the Rules, Bye laws, Regulations, Circulars, Directives, Notifications of the Exchange as well as of the Regulators, Government and other authorities to know your rights and duties *vis à vis* those of the Member.
11. Ask all relevant questions and clear your doubts with your Member before transacting.
12. Insist on receiving the bills for every settlement.
13. Insist on Monthly statements of your ledger account and report any discrepancies in the statement to your Member within 7 working days. In case of unsatisfactory response report the discrepancy to the Exchange within 15 working days from the date of cause of action.
14. Scrutinize minutely both the transaction & holding statements that you receive from your Depository Participant.
15. Keep Delivery Instruction Slips (DIS) book issued by DPs in safe possession.
16. Ensure that the DIS numbers are pre-printed and your account number (UCC) is mentioned in the DIS book.
17. Freeze your Demat account in case of your absence for longer duration or in case of not using the account frequently.
18. Pay required margins in time and only by Cheque and ask for receipt thereof from the Member.
19. Deliver the commodities in case of sale or pay the money in case of purchase within the time prescribed.
20. Understand and comply with accounting standards for derivatives.
21. Ensure to read, understand and then sign the voluntary clauses, if any, agreed between you and the Member. Note that the clauses as agreed between you and the Member cannot be changed without your consent.
22. Get a clear idea about all brokerage, commissions, fees and other charges levied by the Member on you for trading and the relevant provisions/guidelines specified by SEBI/Commodity exchanges.
23. Make the payments by account payee cheque in favour of the Member. Ensure that you have a documentary proof of your payment/deposit of commodities with the Member, stating date, commodity, quantity, towards which bank/ demat account such money or commodities deposited and from which bank/ demat account.
24. The payout of funds or delivery of commodities (as the case may be) shall not be made to you within one working day from the receipt of payout from the Exchange, in case you have given specific authorization for maintaining running account to the member. Thus, in this regard, the running account authorization provided by you to the Member shall be subject to the following conditions:
 - a) Such authorization from you shall be dated, signed by you only and contains the clause that you may revoke the same at any time.
 - b) You need to bring any dispute arising from the statement of account to the notice of the Member in writing preferably within 7 (seven) working days from the date of receipt of funds/commodities or statement, as the case may be. In case of dispute, refer the matter in writing to the Investors Grievance Cell of the relevant Commodity exchanges without delay.
 - c) In case you have not opted for maintaining running account and pay-out is not received on the next working day of the receipt of payout from the exchanges, please refer the matter to the Member. In case there is dispute, ensure that you lodge a complaint in writing immediately with the Investors Grievance Cell of the relevant Stock exchange.

- d) Please register your mobile number and email id with the Member, to receive trade confirmation alerts/ details of the transactions through SMS or email, by the end of the trading day, from the commodity exchanges.
25. You should familiarize yourself with the protection accorded to the money or other property with your Member, particularly in the event of a default in the commodity derivatives market or the member becomes insolvent or bankrupt.
26. Please ensure that you have a documentary proof of having made the deposit of such money or property with the member, stating towards which account such money or property deposited.
27. In case your problem/grievance/issue is not being sorted out by concerned Member/Authorised Person then you may take up the matter with the concerned Commodity Exchange. If you are not satisfied with the resolution of your complaint then you can escalate the matter to SEBI.

Don'ts

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

POLICIES AND PROCEDURES

The underlying document outlines various policies and procedures of GOPOCKET INVEST TECH PVT LTD., has framed with respect to its dealing with clients for commodity 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 on the market and external environment and clients can refer our Website for the updated documents.

1. Setting up of Client's Exposure Limit:

The Exchange bye-laws requires a member broker to adhere to various trading and settlement obligations and conditions which include but are not limited to

- Upfront Margin maintenance requirements with the Exchange / Clearing Corporation prior to taking an exposure in the market
- Cash and Collaterals / Security Deposit, in prescribed ratio, for margin maintenance.
- Certain margins to be paid for in cash only, e.g. mark to market
- Settlement obligations in respect of funds and / or securities to be honoured as per the settlement calendar prescribed by the exchange from time to time.

In order to enable GOPOCKET INVEST TECH PVT.LTD., to meet the obligation on behalf of the client, GOPOCKET INVEST TECH PVT.LTD., seeks client's co-operation to maintain adequate margin, make timely settlement of obligations, top-up margin by scheduled date, etc.,

Exposure Setting: Margin based limit / exposures will be set for clients for transacting in Derivatives segment. While computing the available margin, clear credit lying in client's settlement and margin ledger with GOPOCKET INVEST TECH PVT.LTD., may be considered.

Margin can be paid in the form of cash only and collaterals will not be accepted in any form.

2. Brokerage Policy:

The stock broker is entitled to charge brokerage within the limits imposed by exchange which at present is as under:

For Futures Segment:

The maximum brokerage chargeable in relation to trades effected in the commodities admitted to dealings on the Commodity Market segment of the exchange shall be 1% of the contract price exclusive of statutory and other levies / charges (e.g. 1) GST 2) SEBI / Exchange / Clearing Member charges, 3) Stamp Duty, 4) Statutory charges payable to Exchange / SEBI / Govt. Authorities etc., 5) CTT 6) Account Opening Charges and Charges towards customized / specialized services etc.,)

For Option Contracts:

Brokerage for option contracts shall be charged on the premium amount of which the option contract was bought or sold and not on the strike price of the option contract.

3. Imposition of Penalty / Delayed Payment Charges:

Penalty levied by Exchanges:

Exchanges / Clearing Corporation / SEBI levy penalties on the member broker for irregularities observed by them during course of its dealing with Members. GOPOCKET INVEST TECH PVT.LTD., shall recover such imposed penalties / levies, by the Exchange / regulators, from the client which arises on account of dealing by such client. Few examples of penalties are listed below :

- Non adherence to client wise exposure limits
- Client wise margin shortfall
- Any other reasons which may be specified by the Exchange / Clearing Corporation / SEBI from time to time.

Delayed payment charges / margin shortage charges:

As per the Exposure Limit section outlined earlier in the document, client shall maintain adequate margin / settle the obligation / top-up the margin by scheduled date. In case client fails to settle the dues in time, GOPOCKET INVEST TECH PVT.LTD., shall reserve the right to –

Levy delayed payment charges, not exceeding 2% per month, or such other rate as may be determined by the GOPOCKET INVEST TECH PVT.LTD., from time to time, on account of delays / failure by the client in meeting the pay-in / margin obligations / mark to market obligation on the scheduled date till the date of payment in Derivatives segment. Actual / Clear Balance will be considered for computation of delayed payment charges and not the Ledger Balance.

Levy a charge for disproportionate cash versus collaterals ratio prescribed by the Exchanges for deposit of margins.

Not consider any credit balance in other family or group account of the client while computing delayed payment charges on the debit balance in the running account of a client.

The above levy is only a penal measure in case of a client default in meeting settlement and margin obligation and should not be construed as funding arrangement by the client; and the client cannot demand continuation of service on a permanent basis citing levy of delayed payment charges.

Interest free Deposits: GOPOCKET INVEST TECH PVT.LTD., provides exposure against the upfront margin received in the form of cash / collateral from the client and the client also has the prerogative to demand withdrawal of cash or collaterals at his discretion, subject to surplus margin in place. GOPOCKET INVEST TECH PVT.LTD., shall not pay any interest or other benefit to the client for maintaining cash balances or depositing collateral margins .

4. Liquidation Policy:

(The right to sell Client's securities or close client's Positions, without giving notice to the client on account of non-payment of dues by client)

As per the Exposure Limit section outlined earlier in the document, client shall maintain adequate margin / settle the obligation / top-up the required margin by scheduled date and time. The client agrees and confirms that in case of any delay (beyond permissible time limit as per SEBI or Exchange rules, regulations, byelaws, circulars and other applicable laws / provisions) in making the payment, GOPOCKET INVEST TECH PVT.LTD., shall have the right to sell client's securities / positions / contracts as well as collaterals deposited towards margins or close out client's open positions / contracts or offset credit balance in other segment / exchange against client's obligation / debit balances / liabilities, without giving any notice to the client, as per prevalent risk policy from time to time, in circumstances including but not limited to the following:

- Where intraday position if any not liquidated before prescribed time or placing of fresh intraday order after a cut-off time fixed by GOPOCKET INVEST TECH PVT.LTD.,

- Where client is not having adequate margins, as per conditions specified in Exposure Limit section and failure to top-up further margins.
- Client delays / fails to meet the mark to market dues, clearance of debit balances or realization proceeds of the cheque deposited by the client to meet obligation is not received
- Cheque bouncing , delays or fails in clearing outstanding dues to GOPOCKET INVEST TECH PVT.LTD.,
- Irregularities in dealing and other surveillance / anti-money laundering related observations.
- Client categorized as ineligible due to non-traceable, disputes, possible default by client and any other circumstances leading to raising non-confidence in client.
- Disputed trading position
- any direction from SEBI / Exchange or such other regulatory / statutory authorities.

After such square off of open positions as mentioned in the above clauses, if there is a debit balance, the client shall pay the same immediately. If, the client does not clear off the debit balance, GOPOCKET INVEST TECH PVT.LTD., shall have the right to liquidate the shares and other securities of the client (kept as collateral / margin) to the extent of the debit balance, without any intimation to the client. The client shall not have the right to decide on the timing of liquidation of shares and securities held in collateral / margin and the shares and securities that needs to be sold or liquidated. GOPOCKET INVEST TECH PVT.LTD., its Directors and employees shall not be responsible for any loss or damages arising out of such selling.

5. Shortages in Obligation arising out of internal netting of trades:

The client may not receive commodities, in case there is an internal shortage situation with GOPOCKET INVEST TECH PVT.LTD., i.e. the buyer and seller are both GOPOCKET INVEST TECH PVT.LTD., clients and the seller defaults in delivery due to which the buyer may not receive the Commodity. The Exchange prescribed penalty will be imposed on the defaulting client and the benefit will be passed on to the respective beneficiary client.

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.

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. Further it would be the duty of the client to monitor its position with GOPOCKET INVEST TECH PVT.LTD., from time to time. The existing position of the client is also liable to square off / close out without giving notice due to shortage of margin / non making of payment for their pay-in obligation / outstanding debits.

7. Suspension of trading account and Deregistering the client

Suspension of Trading Account

GOPOCKET INVEST TECH PVT.LTD., may carry a periodic review of the client accounts and may, at its discretion, suspend the clients accounts from trading in the following circumstances.

- Where the client's status is dormant or inactive during last 6 months from the date of last transaction.
- Where the client has not cleared the naked or uncovered debits in prescribed time.
- Default by the client in honouring its settlement / margin obligation including cheque bouncing etc.,
- Irregular trading pattern from surveillance / AML perspective.

- Where GOPOCKET INVEST TECH PVT.LTD., is unable to transfer the shares provided as Margin during Auto Settlement Process to the demat account provided by the client, till the client submits the revised demat account details along with proof.
- Where the client is categorized as ineligible due to being non-traceable, pending disputes / complaints, possible default by client and any other circumstances leading to raising non-confidence in client including return of undelivered couriers citing reason of “no such person” / addressee left / refusal to accept mails / POD’s signed by the third persons etc., or Digital Contract Notes (DCN) failed (bounced email) on more than 3 instances until client submits and registers new email id or non-delivery of the statement of account sent on periodic basis or non-updation of financial and other details viz. email id, mobile no., landline details or it is found to be belonging to a third person.
- Where the account is under investigation by any regulatory body including receipt of notice from statutory, government or local authorities including income tax, GST, a judicial or a quasi judicial authority, or client is arrested by way of court order, police action or any other legal action.
- Where a client is reported to or known to have deceased.
- Where client fails to provide executed or renewed mandatory documentary requirements as prescribed by Exchanges / Regulators from time to time and or refusal to do the periodic submissions as required by Exchanges / Regulators.

De-registering a Client

GOPOCKET INVEST TECH PVT.LTD., may at its discretion de-register the client account in circumstances including but not limited to the following:

- Action taken by Exchanges / Regulators or being part of list of debarred entities published by SEBI,
- Where the client indulge in any irregular activities not limited to synchronized trading, price manipulation etc., resulting in violation of rules, regulations of the exchange and any other such activity.
- Based on information found in sites of CIBIL, Watch out Investors or client having suspicious back ground, link with suspicious organization etc.,
- Irregular trading pattern from surveillance / AML perspective.
- Where the client is categorized as ineligible due to being non-traceable, disputes, possible default by client and any other circumstances leading to raising non confidence in client including return of undelivered couriers citing reason of no such person / addressee left / refusal to accept mails / POD’s signed by the third persons etc., or Digital Contract Notes failed (bounced) on more than 3 instances until client submits and registers new email id or non-delivery of the statement of account sent on periodic basis or non-updation of financial and other details viz. email id, mobile no., landline details or it is found to be belonging to a third person
- Right to deregister after serving a 30 days written notice without assigning any reason thereof
- In such case, GOPOCKET INVEST TECH PVT.LTD., shall have the right to close out the existing positions / contracts, sell the collaterals to recover its dues, if any, before de-registering the clients account.

8. Disclosure of Proprietary Trading by GOPOCKET INVEST TECH PVT.LTD.,:

Pursuant to SEBI Circular No. SEBI/MRD/SEC/Cir-42/2003 dated November 19, 2003 and MCX Circular MCX/T&S/147/2016 Dated 17th May 2016, GOPOCKET INVEST TECH PVT.LTD., discloses to

its clients about its policies on proprietary trades that GOPOCKET INVEST TECH PVT.LTD., doesn't do proprietary trades in Commodities.

9. Policy for Dormant / In-active account

When there is no transactions have taken place in client's account during the last 6 months from the date of last transaction, it will be considered as dormant / in-active account. If the account status is tagged as dormant / in-active account, the surplus funds lying with GOPOCKET INVEST TECH PVT.LTD., shall be refunded / returned to clients to their Bank A/c. and Securities if any provided as Margin will be returned to their DP Account as per details available in Account Opening Form.

10. Reactivation of Trading Code:

A client's trading account will be re-activated, on submission of proof of identity (POI) and proof of address (POA) along with the client's request letter where the account is suspended due to dormant / inactive status or on submission of such other information/ documents as deemed fit by GOPOCKET INVEST TECH PVT.LTD.,

RMS & INTERNAL CONTROL POLICY

The Company has the system to provide limits for trading based on the margin of the client available with the company in the form of funds / securities.

The Details of Intraday Margin Timings are given below:

Equity / CM	Futures & Options	Commodity
9.15 a.m. to 3.20 p.m.	9.15 a.m. to 3.20 p.m.	15 Minutes before Market Closing

OBJECTIVE

- The main object of Risk Management & Surveillance is to mitigate the losses / debits of clients and safeguard the organization.
- Exposure Settings for the trading as per SEBI Circular No. SEBI/HO/MRD2/DCAP/CIR/P/2020/127 dated, 20th July 2020 for all the segments.

NSE, BSE EQUITY:

1. Full value of the funds of the clients available with the company is considered for the purpose of opening of the trading limits.
2. For the purpose of opening of trading limits, upto 50% haircut is taken on the scrips available in F & O segment of NSE. Collateral Margin will be applicable for intraday trades of scrips available in F & O segment of NSE to trade in Cash Segment and not for F&O, CD and Delivery Trades of Cash Segment.
3. In cash segment an intra day limit of Upto 5 times from 1.9.2021 onwards (Subject to change depending on the Regulatory instructions) of the margin available is given to the client to trade in Scrips available in EQ. Series only. Square-off of all Intraday Equity / CM and Futures & Options positions if not converted happens at 3.20 p.m. and for Commodity Derivatives @ 15 Minutes before the Market Closing everyday.
4. In case of delivery transactions, funds are required to be available upfront in the Ledger.

NSE, BSE Equity Futures :

1. Square-off of all Futures position starts at 3.20 p.m. every day for all the orders placed under Intraday option.
2. For holding F & O transaction overnight, exchange stipulated margins are required.

NSE & BSE Currency Future:

1. As per NSE Circular No. 61402 Dt.1st Apr 2024 and RBI Notification RBI/2023-24/108 dated, 5.1.2024, Clients must possess underlying exposure to trade in Currency Derivatives. The Circular states that - (i) All positions of the user in all contracts involving INR, across all the Recognized Stock Exchanges put together, are backed by contracted exposure; (ii) The same exposure has not been hedged using any another derivative contract. If client wants to take position in CD segment, they have to submit an Auditor certificate confirming their underlying exposure in Currency supporting with the requisite margin/funds.
2. For holding Currency Future transaction overnight, exchange stipulated margins are required.

Reviewed on 01.11.2024

NSE, BSE & MCX Options:

1. Full Funds is required to be available upfront in the Ledger for Options trading.
2. Carried Forward / Overnight position, exchange stipulated margins are required.
3. Stop Loss Market Order facility is not available
4. Clients are advised not to place Market Order. The chances of ending up in ledger debits due to price depth.

Commodity Futures:

1. Square-off of all Commodities position starts 15 minutes before market closing every day for all the orders placed under Intraday Option
2. For holding overnight position, exchange stipulated margins are required.

Client ID Activation & Mapping:

- RMS will activate the New Clients and map the same to concerned Branch or Authorised Person CTCL ID.

Facility for Voluntary Freezing/ Blocking of Online Trading Accounts by Clients :

We have provided an option to freeze/block Online access of Trading Account voluntarily by the client in Client Profile window.

The following Points to be taken note before pressing the Freeze Account Icon :

1. De-activation of Online Access (Trading platform) takes place within 5 minutes.
2. Ensure that there are no open orders or positions before sending Block request.
3. If GTT / Basket order was there while blocking and gets triggered subsequently, the orders will get rejected.
4. You will not be able to trade until account is re-activated.
5. Re-enablement will be happened only after 12 hours if requested.

When **Freeze Account** is clicked, a pop up with information regarding the number of pending orders and open positions will appear and when clicked on **Yes**, the user will be logged out automatically and all the open orders will be cancelled. But open positions will not be closed for which client will have to contact the Dealer/Admin/nearest branch. The Investor Client will be deactivated for any further login.

Alternatively, the Client can send mail to STOPTRADE@GOPOCKET.IN from their Registered E-mail ID or Call 0422-3525912. Blocking will happen within 30 Min. on receipt of e-mail / Phone Call after validations.

eDIS (Electronic Delivery Instruction Slip) :

- eDIS is a facility which allows you to authorize your sell transactions before placing the order when you have not submitted DDPI with TM/DP.
- If the client placing selling order for his/her holdings without eDIS process, the order will get failed.
- TPIN can be generated through Mobile App/Exe and it is valid for 90 days.
- An Investor can replace by submitting DDPI with TM/DP in place of eDIS if he wishes to do anytime.

Demat Debit and Pledge Instruction (DDPI) :-

- DDPI Serves the same purpose as POA and mitigates the misuse of POA
- DDPI is a document that allows a broker to debit the securities from the client's demat account and deliver them to the exchange. The client does not have to enter the CDSL T-PIN and OTP to sell shares once the DDPI is submitted.
- DDPI facilitates the clients to authorise the TM & DP to operate their Demat A/c. only for the limited purpose.
- Activating DDPI involves a one-time fee of ₹300. This fee is charged to cover the costs associated with the process, including procuring the stamp paper and other operational expenses.

Client Margin Shortfall:

- We send Ledger Balance Confirmation to all the clients by SMS after processing the trades from Exchange.
- Clients need to clear the margin shortfalls of the previous trade date if any before 9.30 a.m. on next day. If the Margin shortfall is not cleared within the specified time, Our RMS Team will initiate squaring-off of the client positions after the specified time.
- Cheques of only those Banks, which are registered in our Back Office, will be accepted and no third party payment will be entertained.
- Cheques banked and cheque received after banking hours would be considered for MTM shortfall purposes only if the required scan images are sent to Funds & RMS Department immediately.
- Demand Drafts are not accepted unless accompanied by client letter alongwith Bank Statement for the account debited to issue the instrument.

ONLINE MONITORING / RMS FUNCTIONS: Cash, F&O, Currency & Commodities

- Margin Calls will be sent via SMS & E-mail on or above MTM loss of 50% onwards for every 10% to the Registered Mobile No. of the client updated in our Master. It is the client responsibility to top up the margin immediately when Margin Calls received by them.
- MTM shortfall needs to be cleared before reaching 80% MTM loss to hold the client positions.
- Our RMS Desk is continuously monitoring all M to M profits / losses of the client and if the losses of the client are 80% or more (inclusive of Brokerage, Statutory Levies & charges etc.), all the open position/s of the client is/are squared off without intimation to the client after cancelling the pending orders from the system.
- As stated in the above paragraph, Square-off order initiated when the MTM reaches 80% of loss and the order can be matched only on the available price in the market and we can't guarantee the square-off takes place at 80% all the time. The % can vary depending on the matched price of the square off order.
- We will block margin of X amt. (as per Client Brokerage Slab + Taxes) upfront while placing Buying and/or Selling of Options per Lot to avoid ending Negative balance in ledger after the position is taken.
- The client trading will get blocked after Margin Square – off for further trading till fresh

funds infused by the client (brought down to less than 80% of MTM) on the T day for trading.

- Client should borne the Penalty charged by the Exchange/s incase increase in margins on account of change in hedge position / expiry of some leg(s) of the hedge positions resulting in a hedge break / loss of cross margin benefits like square off by the clients / expiry of some leg(s) of the hedge positions of the clients, leading to higher margin obligations on the open position(s)

Liquidation for Debits:

In the event of clearing / non-payment of the debit either in full or partial within 5 days from the Payout date, the securities will be liquidated / disposed off to offset the debit as per Compliance requirement. Such liquidation (the shares lying in Client Unpaid Securities Pledgee account) may be in full or partial to the extent of debit and would be at the discretion of GOPOCKET Management. The Client shall not have the right to decide on the timing of liquidation of shares and securities and the shares and securities that needs to be sold or liquidated.

Risk Management Section perform a real time monitoring on the inter and intra day position of the client through ADMIN screen. We will send Margin Calls via SMS & E-mail to the client for MTM erosion before squaring-off the position/s and it is the clients responsibility to top up the Margin immediately when Margin calls received by them.

Current Market price will be taken for valuing the stocks available while computing for liquidation. Square-off order initiated when the MTM reaches 80% of loss and the order can be matched only on the available price in the market and we can't guarantee the square-off taken place at 80% all the time. The % can vary depending on the matched price of the square off order.

When client pledge securities to the broker as margin, it is to mitigate the risk of settlement default / shortfall by the clients and is in the form of collateral which can be utilised by broker only in the event of default / shortfall by the client.

After such square off of open positions as stated above, if there is a debit balance, the client shall pay the same immediately. If, the client does not clear off the ledger debit balance, GOPOCKET Management shall have the right to liquidate the shares and other securities of the client by un-pledging the securities pledged to the extent of the debit balance.

If the liquidation done by the Member against debit, the client will not be provided fresh exposure to buy or intraday trading on the liquidation day. But, the clients will be allowed only for delivery selling for the shares lying in their Ben A/c. or CMPA account after making request with the RMS Team.

Penal Charges for Delayed Payments:

If the payment is not received within the stipulated time, Penal Charges will be levied @ 24% p.a. from T + 1 (Equity CM Segment) onwards to payment realised date. e.g. If a client makes online payment on T + 4, Penal Charges will be charged for 3 days. If a client adjusting the debit by selling shares on T + 3, Penal Charges will be charged from T + 1 to prior date of Payout date of T + 3. Clear balance will be considered for computation of delayed payment charges and not the Ledger balance. The Penal Charges will be levied to the client ledger on weekly basis. Penal Charges will be levied @ 24% p.a. from T + 1 (for All Derivatives Segment).

Secrecy of Maintaining Login Credentials:

Please maintain secrecy of your User Name and Password and never Share your Login Credentials/OTP/TOTP/User Name and Password with anyone. It will lead to un-authorised trades and losses and hence, the Investors are advised not to compromise their login credentials with anyone.

Acceptance of Unique E-Mail ID & Mobile No. from Clients for Trading & DP Accounts:

This has reference to SEBI circular CIR/MIRSD/15/2011 dated August 02, 2011, Exchange circulars NSE/INVG/21841 dated October 4, 2012, NSE/INSP/27339 dated August 12, 2014 and NSE/INSP/27368 dated August 18, 2014 regarding updation of E-mail IDs and mobile numbers of clients. Our Management has decided to implement the acceptance of Unique Contact details such as E-mail ID & Mob.No. from the clients for all their Trading and DP Accounts opening through us.

Position Limits (CLIENT LEVEL)

Exchange has clubbed the open positions to check for position limit violations at client level & any violation will attract penalty provisions as per circular MCX/S&I/331/2016 dated September 29, 2016. In accordance with circular no. MCX/S&I/331/2016 dated September 29, 2016, Exchange has clubbed the client codes with common/same mobile numbers or e-mail ids registered under Trading Member and these clients attract the provisions / patterns such as 'persons acting in concert', through common ownership and / or control structure or same family / group, based on same Email and Contact Details.

If client exceeds the Client Level Position Limit in any commodity/securities of the exchange, client will be informed to comply to Exchange requirements immediately. If Client not complied, Our RMS Team will reduce the position to avoid any disciplinary proceedings by the exchange.

Contract Note, Margin Statements & Weekly Ledger Statement of Account :

Contract Notes and margin statements for the transactions executed by the clients are sent to them through e-mail within 24 hours of the trade. Weekly Ledger Statement of Account (i.e. Monday to Saturday) will be sent within 4 days of the subsequent week consisting all the entries i.e. before Thursday of the following week.

Payout: All payouts will have to be compulsorily placed on the Back office access provided to the clients. All payout requests will be processed electronically and the credit shall come to the client's bank account.

- Withdrawal request placed before 8.30 a.m. in CASH, F&O and CD will be processed on the same day. Requests placed after 8:30 a.m. will be processed on the next working day.
- Withdrawal request placed before 8.30 a.m. in Commodities will be processed on the same day. Requests placed after 8.30 a.m. will be processed on the next working day.
- Withdrawal request placed on Saturday, Sunday and Bank & Settlement Holidays will be processed on the next working day.

Shares Trading under Graded Surveillance Measure (GSM)

In continuation to various surveillance measures already implemented, SEBI and Exchanges, pursuant to discussions in joint surveillance meetings, have decided that along with the aforesaid

measures there shall be additional Graded Surveillance Measures on securities which witness an abnormal price rise not commensurate with financial health and fundamentals like Earnings, Book value, Fixed assets, Net-worth, P/E multiple, etc.

Based on a periodic review and in consultation between SEBI, Exchanges and Clearing Corporations, additional surveillance margins shall also be levied as per Circular No. NSCCL/CMPT/38123 Dt.22nd Jun 2018, the Trading Members can collect the requisite margins from their Trading Clients.

In view of the above, the scrips available under GSM, IBC & ESM in any form will not be available for trading. On Client request, will be allowed after validating the regulatory requirements at that point of time.

Shares Trading Under Additional Surveillance Margin (ASM) :

1. Long term additional surveillance measures (LT-ASM)
2. Short term additional surveillance measures (ST-ASM)

Trading permissible as per Exchange regulations. 100% of the traded value will be required for placing orders i.e. 100% margins will get blocked. No intraday leverage will be available for ASM categorised scrips.

Margin: Additional margins are levied for securities under surveillance measures. The percentage of additional surveillance deposit (ASD) to be collected and the surveillance measures due to which additional margins are applicable are as follows:

GSM stage 2 : 50% ASD
GSM stage 3 and 4 : 100% ASD
IBC Stage 1 and 2 : 100% ASD

Since, GoPocket does not collect ASD, Fresh buying is blocked for instruments in stages where ASD is required.

In case, the stock you have pledged is moved under ASM, you will no longer be provided collateral margins for that stock, because, as per ASM 100% margin should be levied. The collateral value (shown on the trading terminals) will be reduced by the value of collateral received against that stock. You can either unpledge the stock or keep the stock pledged without collateral until the stock is moved out of ASM.

Options (MCX) Devolved into Future on Expiry:

- All In the Money Open Option contracts will be devolved into Future Position on the expiry date of the Options Contract.
- Failure to provide / keep the Full Margin for the respective Commodity / All In the Money Stock Future & Options in the trading account can lead to square-off of open positions at the discretion of RMS Team.
- GOPOCKET Management may also consider imposing additional margins apart from the ones described above from time to time.

NFO – Physical Settlement Of Stock Options & Stock Futures (In the Money Contracts)

In-the-Money stock option contracts & Stock Future contracts will get resulted into physical settlement / delivery on the expiry day if kept open without closing. We are allowing trading on these contracts till Expiry-4 day (i.e. Fridays of previous week). From Expiry-3, under Carried Forward option, client will be allowed on specific request with RMS Team and the exchange stipulated margins / respective holdings are required to be available with us as per Exchange Circular dated 17th Jan 2020. Clients are allowed to trade under Intraday upto Expiry minus 2 days (Tuesday of the expiry week) to avail the trading opportunity. If the requisite margins are not available for In The Money carried positions, the positions will get squared-off by our RMS Department without intimation. Incase, if the carried forward position ended up as In the Money in the last 5 days of monthly expiry by not supporting the requisite margin, the penalty charged by the exchange will be borne by the client.

Days to Expiry	Delivery Margins
Expiry - 4 EOD	10% of Delivery margins computed
Expiry - 3 EOD	25% of Delivery margins computed
Expiry - 2 EOD	45% of Delivery margins computed
Expiry - 1 EOD	70% of Delivery margins computed

Compulsory Delivery :

Long & Short Position in Compulsory Delivery contracts like Gold, Silver etc., in commodity segment and all Stock Futures & Options contract of In the Money should be closed before the start of Tender Period / expiry date if full margin is not available. Commodities & All In the Money Stock Futures & Options contracts with compulsory delivery will be closed a day before their respective delivery intention period / expiry date of the contract, if the delivery intention request is not received from the client and non availability of full margin in their Trading Account.

Non-Genuine Trades :

- Clients should not trade in illiquid commodities & Securities contracts
- Dealer / RMS team will be monitoring those trades and will square off, if the same is found as non-genuine trades.

Investor Grievances:

The Compliance Officer shall be the designated officer for handling the Investors Grievances and Client Complaints. The email ID you can write to in case you have any grievance is compliance@gopocket.in. The resolution of the Complaint shall be done at the earliest

IMPORTANT NOTES:

- We are not engaged in the business of Client Funding. Clients are required to have sufficient balance in their accounts to hold / carry forward positions.
- Call & Trade charge is applicable for the positions squared-off due to insufficient margin.
- Option premium received from writing options will not be considered as Cash / Capital.
- Positions which do not have sufficient funds can be cut any time at the discretion of our

RMS desk. There will be no margin calls or intimation from our RMS desk.

- Trading in MCX contracts will be banned during tender period.
- Client Open Short in CM Segment not covered due to upward freeze or any other reason including technology failure, client has to absorb the loss.
- Selling shares of scrips bought on the previous day will be at sole risk of the client. If the delivery not received against the purchases, the selling position will go for Auction and the loss should be passed on to the client. Likewise, if the purchase position got squared off credit due to delivery failure, the client selling against this purchase will go for Auction and the loss should be borne by the client.
- Fines levied by the exchange for shortfall on Other Margin/MTM will be payable by the client.
- Payments will only be accepted from the client's registered bank / mapped accounts with us. Cash and Demand Drafts are not accepted.
- We will not allow the clients to trade in any segment on the same day against the sale proceeds (carried forward of Open positions) of Equity / Currency / Commodity Options except on the same Options segment.
- Client can liquidate the Open Long Options at Market Price after their positions got square-off due to MTM Shortfall on/above 80% as system will not allow to keep open pending orders. In case if they wish to place the limit order for their open long options, they can call the RMS Desk (0422-3525925 / 3525900 (Board Line) to place the order.
- We are not a dealer and not selling any automated software, charts, technical analysis softwares etc., to our clients for placing orders / trading purposes. We neither have arrangements nor tied up with any vendor for selling any kind of automated software, technical analysis softwares etc., to our clients.
- We are neither involved in portfolio type of trading nor promoting any Assured Return Schemes. Clients are advised not to do any such activity with any of our sub brokers / associates / employees. Please be aware of unauthorised website / SMS / Emails / whatsapp / chats etc., for PMS or Assured Returns in our name. If you find any suspicious messages / chats with our name, please report the same to compliance@gopocket.in or call and inform us 0422-3525900.
- The client should not be allowed for trading if RMS action is taken due to MTM shortfall and they will not be permitted for trading for the remaining day after squaring off of the open positions. If a client insist for trading by transferring an additional amount, the treatment of the amount will be described below.

The amount transferred during the day / trading hours by the client after the RMS is set (before market / trading opens) will be added to the Margin available with the opening hours of trading and MTM rule will be the same. e.g. If a client has a opening balance of Rs.50,000/-, the square-off / closed out will be taken if MTM loss reaches on or above Rs.40,000/- at the available / ruling price. If a client wishes to trade further by transferring an amount of Rs.40,000/-, the amount will be added to the opening Margin amount of Rs.50,000/- resulted in total margin of Rs.90,000/- & MTM (booked) loss of Rs.40,000/- will be kept separately as the day is not over. In such case, RMS action will be initiated if MTM loss of over and above Rs.72,000/- (80% of 90,000/-). As the client

already had a 40,000/- MTM Loss, close out for fresh open positions will be taken if fresh loss of over and above Rs.32,000/- (i.e. Rs. 72,000.00 - Rs.40,000/-).

Disclaimer

GOPOCKET Management will have a discretion to alter / change any of the information / parameter defined in the policy on the basis of prevailing market conditions with or without intimation to the clients and can use their discretion to grant any kind of exemption / permission in case they deem fit on case to case basis. We request the clients to read the Policies at regular intervals from our Website Download Page to update themselves with up to date changes.