

Policies and Procedures for client dealings with ISJ Securities Pvt. Ltd. / ISJ Share & Stock Brokers Pvt. Ltd. – Mandatory [as required by SEBI Circular No. MIRSD / SE/Cir-19/2009 dated 03.12.2009]

Dealing in Penny Stocks: Generally, the Broker warns clients not to transact into any penny stocks as trading in such scrips is very risky. Further, the client is also required to adhere to exchange/members' guidelines and due diligence while trading in such scrips. As such, we the broker, do hereby warn the client not to deal in any penny stocks. However, we at our sole discretion, may allow or disallow the clients (on case to case basis) to deal in penny stocks, subject to rules, regulations, articles, byelaws, circulars, directives and guidelines of SEBI and Exchanges as well as considering the prevalent market and other circumstances at related point of time.

Client's Exposure Limit: The client's combined limit for Capital and Derivatives market, is fixed as 'per the Ledger balance in line with respective client's trade history/experience, if available, his financial capacity and/or credit worthiness and referrals. Further, Client's Ledger Credit balance, Securities hold in Beneficiary Account, POA stock as well as margin amount etc. is also being considered. The limit can be increased / decreased based on credit balance of funds / securities along with other criteria at Broker's sole discretion.

Brokerage Rate: The Broker discloses that it shall charge a brokerage at the rate being agreed by the client with Broker (including its branches or sub-brokers) depending upon market circumstances or as may be prescribed in KYC document / Back office Software. However, the Broker shall adhere to the maximum permissible limit (presently not to exceed 2.5 %) as may be prescribed by SEBI / Exchanges from time to time. On option segment of Exchange, it is hereby disclosed that brokerage shall not exceed 2.5% of the premium amount or Rs 100/- (per lot) whichever is higher.

Penalty/Delayed payment Charges by either party: The Client discloses that he/she/it is aware and agrees that pay-in of Securities or Funds are required to be delivered / made to Broker on T + 2 day. In case of any default or if any amount is overdue from Client over such period as may be allowed by you, penalty / delayed payment charges @ 18 % p. a. (depending upon prevalent market rate) may be charged. However, this facility shall not be construed / resulted into permanent practice leading to funding by broker to client in contravention of applicable laws.

Sell of Securities or Closing Open Position: The Client also agree and confirm that in case of any delay (beyond permissible time limit as per SEBI's or Exchange's rules, regulations, bye law / circulars and other applicable laws/ provisions) or in-ordinate delay in making the payment or clearance of or meeting up of any obligations, dues, debit balances, margin, MTOM debit balance etc. by client, then client's open positions might be squared-off, credit balances of securities or securities lying with Broker might be sold off, credit balance of funds might be adjusted against client's obligation, debit balances or liabilities WITHOUT ANY NOTICE from Broker as per prevalent RMS policy from time to time.

Shortages in Obligation and Internal Auction: Clients are required to make Securities / Funds pay in on T+2 day. In case of default in security pay-in by the client and the shortage is at member level i.e. internal shortage, then the benefit calculated at 2 to 5 % on the next day's Current Market Rate or Standard Rate of the day of sale whichever higher after pay-out day shall be recovered from the defaulting client and passed on to the respective beneficiary client.

In case of the default of securities pay-in by the client and the shortage is from the exchange, auction value of the respective exchange plus penalty (decided by the member from time to time) plus brokerage and other statutory charges shall be recovered from the defaulting client.

In the case of funds default by the client, the member shall be liquidating the stocks to recover the money. Any shortfall arising out of liquidating securities by the members shall also be recovered from the defaulting client along with interest (decided by the member from time to time).

Restrictions/Prohibition to take further position or closing existing position: Under any of the circumstances, such as, client's failure to meet pay-in or margin obligations or clearance of Outstanding / debit balance with broker before permissible time limit or beyond such period as may be allowed by broker as per its RMS policy, the Client may not be permitted to take any fresh or further position until the full clearance of earlier dues, obligation, outstanding etc. Even, broker can firstly setoff or adjust the payment or securities towards various dues and obligation of the client and until the full clearance of the same, shall not allow the client to 'take further / fresh position.

Further, it would be the duty of the client to monitor his/her/its position with the Broker from time to time. In case of any delay or failure in meeting any obligation, margin requirements etc. from client side, broker might close the existing position or open position WITHOUT ANY FURTHER INTIMATION to the client as per RMS policy. Such Circumstances may include (but not limited to):

- a) failure to meet pay-in obligation on T+2 day,
- b) delay in meeting the pay-in or margin requirement,
- c) delay or failure in clearance of outstanding or dues to the broker,
- d) returning or frequent returning of cheques of the client,
- e) Unnecessary / Unwarranted dispute from client without any substantial cause / reason,
- f) Client's attitude of not coming to an amicable settlement for any dispute that can be settled without involvement of Exchange and / or SEBI,
- g) As per prevalent RMS policy of the Broker,
- h) Any direction from SEBI/Exchange or such other authorities,
- i) Under such other circumstances as the Broker might think just and proper on case to case basis.

Suspension / Deregistering of Client Account: The Broker and/or client may suspend Client's Trading Account from further dealing in the securities market through the broker in following circumstances:

1. As per Client's prior written request of at least 2 days submitted to Broker at its Mumbai R.O. duly acknowledged by Broker (subject to clearance of entire outstanding/obligations)
2. Dormant or in-active status of client account beyond specified time limit as may be prescribed by Broker.
3. Under any circumstances mentioned in (a) to (i) above.

Policy for Dormant / In-active account:

As per Broker's RMS policy, the account in which no transactions has took place during the period of 6 months from the date of last transaction, the same shall be considered as Dormant / In-active account. Such transaction date may relate to any of the following date, whichever is later:

- a) Entry related to contract or bill generation for buy/sell transaction or
- b) Entry related to payment of funds or securities by client or
- c) Entry passed by the broker by way of JV due to any dues / obligation recoverable from client including but not limited to auction charges, any penalty amount whether or not imposed by Exchange or SEBI or other authorities etc.

To designate the client's account as Dormant / In-active account, the period of 6 months shall be counted from the last day of respective month in which any of the aforesaid last transaction took place. In case Broker treats the account of client as a dormant / in-active account, the funds or securities lying with the broker shall be refunded / returned to clients immediately on demand by the client.

In order to reactive the account, client needs to instruct the Broker in writing at least 2 days in advance at its Mumbai H.O. or by email on info@isjsec.com from client's own email account registered with broker. The broker will try to promptly reactivate the said account subject to fulfillment of such condition as broker may consider fit and proper. However, Broker may in its own discretion, waive / reduce the period of 2 days as the circumstances may warrant on case to case basis.

Client Signature: _____

Date: _____

Client Code: _____

Place : _____

