

## **PART C**

### **ADDITIONAL NON-MANDATORY RIGHTS AND OBLIGATIONS CONFIRMATION**

**THESE ADDITIONAL RIGHTS AND OBLIGATIONS ARE VOLUNTARY AND AT THE DISCRETION OF THE CLIENT TO AGREE UPON AND CONFIRM.**

These additional non-mandatory rights and obligations ("Additional Rights and Obligations") are hereby agreed and confirmed by the client and shall be read in conjunction with and form part of the mandatory rights and obligations prescribed by Securities and Exchange Board of India ("Mandatory Rights and Obligations").

#### **1. PROVISION AND AVAILMENT OF OTHER SERVICES**

(i) In addition to the stock broker providing to the client, broking services as set out above, the stock broker may offer to the client various other Services from time to time.

(ii) The client understands that the terms and conditions governing a specific Service will be binding on the client only if such other Service is made available to the client, and the client avails of that particular Service. The terms and conditions relating to such other Services shall be as may be stipulated by the Stock Broker from time to time in accordance with the applicable laws. These terms and conditions shall be contained on the Website and/ or in brochures circulated, prior to any introduction / change of such Service. In the event the client is desirous of availing any such Services, then the client shall read and understand the additional terms and conditions and shall be required to accept such additional terms and conditions to be able to avail of such Services. In the event the client does not accept the additional terms and conditions, the client shall not be entitled to avail any of such Service.

(iii) The client is aware and agrees that mere execution of this confirmation by the client does not oblige the Stock Broker to open a Client Account and the same shall become effective only if and upon the Stock Broker opening such Client Account.

(iv) The client confirms that the client understands the risks involved in the purchasing, selling and trading in the Securities (including entering into various derivative contracts), whether such risks are contained in the risk disclosure document or not, and the client is fully responsible for the client's dealings in the Securities.

(v) The client confirms that the client has read and understood, and agrees that the client shall from time to time regularly continue to read and understand, the Exchange Provisions and notifications and information on the Website in addition to the information that the Stock Broker may provide to the client.

(vi) The client confirms that in case of exceptional circumstances beyond the stock broker's reasonable control including without limitation acts of God, system failure, man-made disasters, the Stock Broker may be unable to ensure, client's access / secure access to its Website or Services, and the client's ability to trade. Upon occurrence of such events, the client understands that the stock broker may be unable to provide adequate notice or any notice at all, prior to

discontinuing access to its Website or the Services.

(vii) All the information provided and statements made in the account opening documentation are true and correct and are not misleading (whether by reason of omission to state a material fact or otherwise) and the Client is aware that the Stock Broker has agreed to provide the Stock Broker's Service to the Client on the basis, inter alia of the statements made in the Account Opening Form. The Client undertakes to promptly intimate the Stock Broker of any change in such information provided.

(viii) The client is aware and acknowledges that trading over the internet, telephone, through kiosks, through computers and through wireless technology involves many uncertain factors and complex hardware, software, systems, communication lines, peripherals which are susceptible to interruptions and dislocations and the Stock Broker's Service may at any time be unavailable without further notice. The Stock Broker and the Exchanges do not make any representation or warranty that the Stock Broker's Service will be available to the client at all times without any interruption. The client agrees that he shall not have any claim against the Exchanges or the Stock Broker on account of any suspension, interruption, non-availability or malfunctioning of the Stock Broker's System or Service or the Exchanges' service or systems for any reason whatsoever.

(ix) The client (if a foreign institutional investor/non-resident Indian / person of Indian origin), hereby acknowledges that he is aware of the Reserve Bank of India guidelines in relation to his investments in the secondary market in India. The client shall keep himself abreast of the ceiling limits on investments as published by the Reserve Bank of India from time to time and also agrees that he shall immediately reverse his transaction, if such transaction breaches the ceiling limits as imposed by Reserve Bank of India. In case the client does not /is unable to reverse such transaction immediately, the client authorizes the Stock Broker to do so under intimation to the client.

(x) The client represents, warrants and undertakes on an ongoing basis that there are no prior or pending criminal proceedings or proceedings relating to

financial crimes against him or any negative reputation issues involving the client and in the event of any such issues or proceedings arising / being commenced against the client including any garnishee order, he shall promptly keep the Stock Broker informed of the same.

(xi) Any instructions given by an authorised representative of the Client to the Stock Broker (or to the Stock Broker's representative) shall be binding on the Client.

(xii) The client authorises the Stock Broker to access the client's account related information from the Designated Bank / any other bank or depository participant as may be mentioned by the client if and when required for the purpose of opening and operating the Client Account or for any other purpose as the Stock Broker may deem fit.

(xiii) The client authorises the Stock Broker to share the client's details including transaction details with any group companies for any purpose as the Stock Broker may deem fit.

## **2. TRANSACTIONS OTHER THAN EXCHANGE TRANSACTIONS**

(i) The client acknowledges that the Stock Broker's Services involve execution of orders and transactions on or through the Exchange ("Exchange Transactions") and also otherwise than on or through an Exchange e.g. transactions in listed / unlisted units of mutual funds, government securities, commercial paper, certificates of deposit, bank deposits, negotiable instruments and investment in company or bank deposits ("Off- Exchange Transactions"). The client acknowledges, agrees and confirms that in case of such Off- Exchange Transactions, the Exchange Provisions would not apply and these provisions shall be construed accordingly. Without prejudice to the generality of the aforesaid, the client agrees that in case of Off-Exchange Transactions:-

(a) the orders and transactions shall be governed by the Stock Broker's terms and conditions (including the terms and conditions on the Website) applicable to such transactions and the terms and conditions of the concerned issuer of the Securities; and

(b) these provisions would, by their very nature, apply only to Exchange Transactions and shall not apply to Off- Exchange Transactions,

(c) the Stock Broker may receive commission or other amounts from the issuer, company or other concerned person or entity (in addition to any remuneration received from the client) and

(d) the provisions of paragraphs 22 to 26 and paragraphs 43 to 48 of Mandatory Rights and Obligations shall be substituted with the following: Any claim, dispute or difference arising between the Stock broker and client in respect of these provisions or any contracts, dealings or transactions pursuant hereto or any rights, obligations, terms or conditions as contained in these provisions or the interpretation or construction of these provisions

shall be referred to the arbitration of a sole arbitrator to be appointed jointly by the Stock Broker and the Client or, in the absence of such joint agreement, by the Chief Justice of the Mumbai High Court. The arbitration shall be conducted in English and shall be held in Mumbai, India.

### **3. DEFINITIONS AND INTERPRETATION**

(i) Under these provisions, unless repugnant to the context or meaning thereof, the following words and expressions shall have the following meanings – “Account Opening Form” means the application / form submitted by the client to the Stock Broker to open Client Account and to permit the client to avail of the Stock Broker's Services including the Mandatory Rights and Obligations and the Additional Rights and Obligations of the client and the Stock Broker.

“Available Funds Balance” means the amount of credit balance in the Associated Bank Account or in the client's Account with the Stock Broker which is not subject to any lien or other encumbrance (except in favour of the Stock Broker pursuant to these provisions) and which is freely available to the Stock Broker for blocking and appropriation towards the client's then current or possible future dues to the Stock Broker (including any margin dues), to an Exchange, to clearing house or clearing corporation of the Exchange or to any other person or entity in connection with an order executed by the Stock Broker for the client.

“Available Stock Balance” means the Securities balance in the Associated Depository Account or the client's Account with the Stock Broker which is not blocked or under any lien or other encumbrance and which is freely available to the Stock Broker for blocking and appropriation towards the client's then current or possible future obligations to deliver the concerned Securities to the Stock Broker (including any margin dues), to an Exchange, to the clearing house or clearing corporation of the Exchange or to any other person or entity in connection with an order executed by the Stock Broker for the client.

“Brokerage” means the amount charged by the Stock Broker to the client as brokerage for a secondary market transaction. The term “Brokerage” does not include service tax or other taxes, transaction or other fees and commissions that may be applicable in respect of the Services.

“Business Day” means any day on which the Exchange is operational for trading. “Client Account” means an account opened by the Stock Broker in the name of the client in the Stock Broker's records.

“Confirmation” means this confirmation addressed by the client to the Stock Broker

“Exchange” means the Bombay Stock Exchange Limited, the National Stock Exchange of India Limited or such other recognised stock exchange of which the stock broker may be/become a member as the context may require.

“Exchange Provisions” means the rules, bye-laws, regulations, constitutions,

customs, business requirement specifications, handbooks, notices, circulars and resolutions of the Exchange (or any Segment of any of the Exchange) or the clearing house or clearing corporation of the Exchange, or the concerned depository in force from time to time and includes the circulars issued by the Exchange from time to time, relating to internet based trading services, as amended from time to time.

“IBT Service” means the service offered by the stock broker to its clients where under the clients can route their orders for purchase, sale and other dealings in Securities through the Website including trading through the use of wireless technology that shall include the use of devices such as mobile phones and laptop computers with data cards which use Internet Protocol (IP).

“Outstanding Position” in a scrip means the value of the total quantity of that scrip purchased (or sold) less the total quantity sold (or purchased) by the client and not settled.

“Password” means the alpha, numeric or alphanumeric code used by the client to validate his username and access the Service, and includes the telephone personal identification number or other identification or security code (by whatever name called).

“Politically Exposed Person” means and includes current and former members of Parliament and State Legislatures, high profile politicians, members of political parties, persons connected to them including family, close advisors and / or companies in which such individuals have interest to be in a position to significantly influence the decision of such company.

“SEBI” means the Securities and Exchange Board of India.

“Securities” shall have the same meaning as assigned thereto under Section 2 of the Securities Contracts (Regulation) Act, 1956 and shall include any securities, derivatives and other instruments which are tradeable on any of the Exchanges as well as such units of Unit Trust of India and / or other mutual funds (whether listed or unlisted), government securities, debt instruments, negotiable instruments, unlisted securities, certificates of deposit, participation certificates, commercial paper, money market instruments investment in bank and / or company deposits and other instruments and investments as may be specified by the stock broker from time to time.

“Segment” means any segment of an Exchange and includes the cash segment, debt segment and derivatives segment of an exchange.

“Service” or “Stock Broker's Service” means:-

- (a) the services which the Stock Broker renders as a member of an exchange and includes (but is not limited to) the IBT Service; and
- (b) such other services which Stock Broker, may offer or be permitted to offer to the client which would include, by way of illustration: a) purchase and sale of Government Securities, units of Unit Trust of India and / or other mutual funds (whether listed or unlisted), negotiable instruments, unlisted securities,

certificates of deposit, participation certificates, commercial paper, money market instruments, investment in bank and / or company deposits and other Securities; b) clearing facilities; c) advisory services; d) portfolio management services; e) depository services; and f) custodial services.

“Short Sale” shall include a sale order or transaction given or entered into by the client without sufficient Available Stock Balance.

“Smart Order Routing” means the facility offered by the Stock Broker to the client which allows the Stock Broker’s trading engines to systematically choose the execution destination based on factors including price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of the client’s order.

“Squaring-off” a position means executing a transaction so that the Outstanding Position in a scrip is offset in full or in part;

“Square-off” and “Squared-off” shall be construed accordingly.

“Stock Broker” means Edel Investments Limited, a company incorporated under the provisions of the Companies Act, 1956, being a member of inter alia the National Stock Exchange of India Limited and the Bombay Stock Exchange Limited, and having its registered office at 5th Floor, Edelweiss House, Windsor Lane, Kalina, Santacruz (E), Mumbai – 400098 (Maharashtra).

“System” means the system hosted by the Stock Broker on the internet through which the IBT Service is offered, the Stock Broker’s system for accepting orders over the telephone and also includes any other system offered by the Stock Broker for accepting orders from a client and performing any part of the Service including, over the telephone and / or through the use of wireless technology or in such other manner as may be permitted by the Stock Broker for availing of the service.

“Trading Hours” means such period of a Business Day during which the Exchange offers trading facilities to its members.

“Username”, or “Customer User Identification Number” (by whatever name called) means the alphabetic, numeric, alphanumeric login identification used by the client for accessing his account for availing the Services.

“Website” means the Stock Broker’s website at <https://eil.edelweissfin.com/> or such other website as may be hosted by the Stock Broker for access through the internet, through which the Stock Broker offers the Services.

“Wireless technology” includes the use of mobile phones and laptop computers with data cards which use Internet Protocol.

(c) Under these provisions, unless the context otherwise requires, (a) For the purpose of these provisions, headings and bold typeface are used for convenience and ease of reference only and shall not affect the construction or

interpretation of any of these provisions. (b) Words and expressions which are used in these provisions, but which are not defined herein shall, unless the context otherwise requires, have the same meaning as assigned thereto

in the relevant Exchange provisions. (c) Under these provisions, unless repugnant to the context or meaning thereof reference to the singular includes a reference to the plural and vice-versa • reference to any gender includes a reference to all other genders,

- references to Recitals, Clauses, Schedules and annexure shall be deemed to be a reference to the recitals, clauses, schedules and annexure of or to this Confirmation,
- reference to a person shall include his personal representative; and
- references to any enactment are to be construed as referring also to any amendment or re-enactment thereof and to any rule, bye-law, regulation, business requirement, specification, order or other provision made under it.

#### **4. USERNAME AND PASSWORD**

(i) The client will be entitled to a Username and Password which will enable him to access the Website for availing of the service.

(ii) The client agrees and undertakes to immediately change his initial password upon receipt thereof. The client is aware that subsequent passwords are not known or available to the Stock Broker.

(iii) The client shall log off from the IBT Service at any time the client is not accessing or using the Service and any liability incurred to the client as a consequence of the client not logging off the Service shall borne solely by the client.

(iv) In the event, that the client forgets his password, discovers a security flaw in the Stock Broker's internet based trading system, discovers or suspects discrepancies or unauthorised access through his username / password / account, the client shall immediately change his Password. However, if the client is unable to change his Password by reason of his having forgotten his Password, or his Password having been unauthorisedly changed by some other person or for any other reason, then the client shall immediately request the Stock Broker in writing to discontinue his old Password; and thereupon the Stock Broker shall cause the Website to discontinue the use of the client's old Password and the Website shall generate a new Password for the client which shall be communicated to the client. At no point in time shall the Stock Broker be liable for any loss, whether notional or actual or consequential, that may be suffered by the client on account of the misuse of the Password.

(v) The client is aware that authentication technologies and strict security measures are required for the internet trading through order routed system and undertakes to ensure that the Password of the client and / or his authorised representative are not revealed to any third party including the Stock Broker. The client shall ensure that he is the only authorised user of the Username and Password. The Stock Broker shall be entitled to presume that any order or instructions entered or communicated using the client's



Username and / or Password, is the client's own order or instruction or that of the client's duly authorised representative. The client will be fully responsible and liable for, and will pay or reimburse to the Stock Broker on demand, all costs, charges, damages and expenses incurred by the Stock Broker as a consequence of access and / or use of the Client's Account or any Service by any third party using the client's Username and / or Password.

(vi) The Stock Broker shall suspend the client's account upon intimation from the client to the Stock Broker of any unauthorized use of the client's Username or Password. However, the client shall continue to be responsible for any unauthorised use of the client's trading account until such suspension.

(vii) The client acknowledges that he is fully aware of and understands the risks associated with availing of a service for routing orders over the telephone or through wireless technology including the risk of a person hacking into the client's account on the System and unauthorisedly routing orders on behalf of the client through the System.

(viii) The client accepts full responsibility for the monitoring and safeguarding of the Associated Accounts.

(ix) The client is aware that the Stock Broker is agreeable to offer the facility of transmitting orders and instructions over the internet and / or telephone and / or through the use of wireless technology only if the Stock Broker is not required to bear, and only if the client agrees to bear, the risk, responsibility and liability of such misuse or unauthorised use. The client is also aware that he has the option of not availing such facility / service, however being fully aware of all risks, the client desires the convenience of such facility of transmitting orders and instructions over the internet and / or telephone and/ or through the use of wireless technology and has therefore opted for such facility of his own free choice and is willing and agreeable to bear all associated risks, responsibility and liability.

(x) Where the client avails of the facility of securities trading through wireless technology, the client shall immediately intimate the Stock Broker in writing if the mobile phone handset or SIM card or laptop computer or other wireless device is lost or replaced.

(xi) The client shall immediately notify the Stock Broker in writing with full details, on the same day as the execution of an order by the Stock Broker, if the client:

(a) does not sight a message/ posting on the Website indicating that the order has been executed, or

(b) sights an incorrect or inaccurate message / posting on the Website, or

(c) sights an incorrect confirmation of order execution, or

(d) sights inaccurate information in Client's Account balances, securities positions or transaction history.

(xii) The client agrees that orders, instructions and other communications given or made over the telephone may be routed through the Stock Broker's



interactive voice response or other telephone system and may be recorded by the Stock Broker. The client also agrees that such recording and the Stock Broker's records of any orders, instructions and communications given or made by the client or the

Stock Broker by electronic mail, fax or other electronic means shall be admissible as evidence and shall be final and binding evidence of the same.

(xiii) The client agrees to provide information relating to Customer User Identification Number, telephone personal identification number and such other information as may be required while placing orders on the telephone to determine the identity of the client.

(xiv) The use and storage of any information including, without limitation, the Password, portfolio information, transaction activity, account balances and any other information or orders on the client's personal computer is at the client's own risk and is the client's sole responsibility.

(xv) Further, at such time and within such period as the Stock Broker may require and if the clients consent, the client shall obtain and maintain during the term of this confirmation, digital signatures from such service providers as may be required by the Stock Broker, which would aid and assist the client to authenticate all or any electronic transactions made through the Website. The client shall be responsible for keeping the said digital signature confidential and secure and shall be solely responsible for all orders and transaction that are entered and executed using the digital signature whether or not such person was authorised to do so. In the event of an apprehension of unauthorized access, the client shall immediately cause the digital signature to be changed.

(xvi) Specifically, information and instructions sent to the Stock Broker and any message, information and confirmation that the client receives from the Stock Broker using wireless technology are subject to the risk of being read, interrupted, intercepted, or defrauded by third parties and / or otherwise subject to manipulation by third parties or may involve delays or failure in transmission. The Stock Broker does not/ shall not accept any responsibility or liability for the consequences arising out of or in connection with using, accessing and conducting transactions using wireless technology and any consequent and / or incidental losses. The client should therefore fully understand, consider and evaluate all the risks relating to the Service, especially the additional risks that may be involved before the client proceeds to logon to the Website.

(xvii) The use and storage of any information including, without limitation, the Password, transaction activity, account balances, securities balances and any other information or orders on the client's mobile phone handset and / or laptop shall be at the client's sole risk.

(xviii) The client shall be liable and responsible for all legal compliance and adherence of all commercial terms and conditions in respect of the mobile connection / sim card / data card / mobile phone handset and the

stock broker does not accept / acknowledge any responsibility in this regard.  
(xix) The client confirms that the Stock Broker shall be under no liability for any compromise or leak or loss of information transmitted using any wireless technology if such compromise and / or leak and / or loss occurs at the end of the third party telecom or other value added service providers.

## **5. ORDER ROUTING AND EXECUTION**

(i) The client shall transmit his orders to the Stock Broker only in the following manner:

- (a) through the internet over the Website;
- (b) over the telephone;
- (c) devices that make use of wireless technology; or
- (d) in such other manner (if any) as the stock broker may permit (including over any kiosks that the stock broker may install for this purpose).

(ii) As a precondition for execution of a purchase, subscription, sale, redemption or other order which involves payment of the client's funds or the delivery of any Securities or instrument by the client, the client agrees and confirms that the Stock Broker may in its sole discretion:

(a) Require the client to maintain, at the time of order placement by the client, an Available Funds Balance / an Available Stock Balance in the relevant Associated Account and / or place the relevant funds, Securities or instrument in the Stock Broker's custody and / or also maintain the funds required for margin of the order plus any Brokerage, service tax, transaction charges, other costs and such mark- up as the Stock Broker may determine; and / or

(b) Require the client to instruct the Designated Bank to block the whole or a portion of the cash and / or Securities balance in one or more Associated Accounts in order to secure the payment of the purchase price of Securities purchased or to be purchased or delivery of any Securities sold, redeemed or proposed to be sold or redeemed, by the client or other amount payable by the client on execution of the order, the other amounts mentioned in the Clause 54(ii)(a) above and / or the payment or performance of any other than current or possible future dues or other obligations of the client; and / or

(c) Require the amount of margin prescribed by the Stock Broker to be available with The Stock Broker;

(iv) Additionally, as a precondition for execution of an order for writing an option contract or selling an option contract so as to create an open position, and / or entering into a futures contract and / or entering into any contract for lending any sum of money or any Securities on behalf of the client, the client agrees and confirms that the Stock Broker may in its sole discretion require the client to instruct the Designated Bank to block the whole or a portion of the balance of cash or Securities in one or more Associated Accounts in order to secure the payment of margin and / or the amount payable or Securities deliverable in the event of exercise of the option contract and / or performance of the futures contract and / or in the event of termination or

performance of the lending contract (as the case may be), the other amounts mentioned in 54(ii)(a) above and / or the payment or performance of any other than current or possible future dues or other obligations of the client; and / or (v) The client agrees and confirms that the Stock Broker shall be, entitled but not obliged, to offset the purchase price / Securities relating to an order / transaction against the proceeds of / Securities purchased in any other transaction executed by the client through the Stock Broker, and vice versa.

(vi) On the day of placement of any order and / or any day thereafter, the client agrees and confirms that the Stock Broker shall in its discretion be entitled to instruct the Designated Bank, and pursuant to the such instruction of the Stock Broker and / or the power of attorney mentioned above, the Designated Bank shall be entitled, inter alia, to block, debit and / or transfer the whole or a portion of the balance in or from one or more Associated Accounts in order to secure or effect in favour of the Stock Broker the payment of the purchase price of Securities purchased or to be purchased by the client, the delivery of any Securities sold or proposed to be sold by the client, the payment of any amount or delivery of any Securities in the event of exercise of an option contract and / or the performance of a futures contract, which Contract(s) have been entered into on behalf of the client, the payment of any amount or delivery of any Securities for the purpose of any lending or investment or for any purpose in connection with the Stock Broker's Services and / or the payment or performance of margin and any other than current or possible future dues or other obligations of the client. In addition, the client agrees and confirms that the Stock Broker shall be entitled to at any time give such instructions to the Designated Bank as the stock broker may think fit and proper for securing the Stock Broker's rights and interests or for the payment or delivery of any amount or Securities which are then or may thereafter become payable or deliverable by the client to the Stock Broker, and the client agrees that the Designated Bank shall give effect to such instructions pursuant to the aforesaid powers of attorney or otherwise, and the client shall not do or omit to do anything which may prevent the Designated Bank from acting on the Stock Broker's instructions.

(vii) The client acknowledges and confirms that

(a) instructions given by the Stock Broker to the Designated Bank to block funds or Securities in or to debit or transfer from an Associated Account in connection with a transaction entered into or to be entered into by the client with or through the Stock Broker will be given first priority over any prior or subsequent other instructions or cheques given or issued by the client or any joint holder by itself or through any other attorney,

(b) funds or securities once blocked on the instructions of the client or the Stock Broker in connection with a transaction entered into or to be entered into by the client with or through the Stock Broker can be released only with the express written consent of the Stock Broker to the Designated Bank; and

(c) if the client or the Stock Broker has given any blocking, holding, debit or other instructions in respect of any Securities or money in any Associated Account in connection with a transaction entered into or to be entered into by the client with or through the Stock Broker and the Designated Bank receives transfer, debit or other instructions in respect of such Securities or money from the client or any other person, then the Designated Bank shall first give effect to the first- mentioned instructions and shall also transfer the concerned Securities and money to the Stock Broker's account.

(viii) Without prejudice to the above, the client agrees and confirms that the Stock Broker may at its discretion permit the client to conduct trade in the physical Segment on the basis of margins provided by the client; the client shall ensure that the requisite margin is available with the Stock Broker prior to the conducting of any transactions / trades. The client shall also ensure the deposit of the balance funds / actual Securities deposited well in advance of the pay-in dates and at or before such time as the Stock Broker may stipulate from time to time.

(ix) The client is aware that in respect of transactions undertaken in a trade for trade Segment of the Exchange, no netting off may be permitted by the Exchange even if the transactions are undertaken in the same settlement cycle.

(x) In the event the order is desired to be executed on a specific Exchange, then, the client shall, when placing an order, indicate the stock exchange on which he desires that the order be executed. In the event the order is required to be executed on an exchange other than the Exchange, then these provisions shall not apply to such orders and trades.

(xi) The client understands that placing an order with the Stock Broker, including a market order, does not guarantee execution of the order.

(xii) The client agrees and confirms that the stock broker shall not be deemed to have received an order unless and until it has actually received the order in the order-receiving module of the Stock Broker's System. The client shall not presume that any order transmitted by the client has been received by the Stock Broker until the Stock Broker has confirmed receipt of such order. However, due to technical or other factors, an order which has been received by the Stock Broker may not be immediately confirmed to the client. Such delay in confirmation shall not entitle the client to presume that the order has not been received by the Stock Broker and the principle mentioned in the first sentence of this clause shall apply.

(xiii) The client shall be allowed to trade only during Trading Hours. However, the Stock Broker may agree to receive orders even outside Trading Hours, in which case, the Stock Broker may accumulate orders received outside Trading Hours and execute such orders when the Exchange next opens for trading.

(xiv) The client agrees and confirms that all orders received by the Stock

Broker through the System may be executed in good faith and shall be valid until separately cancelled in accordance with these provisions.

(xv) The client agrees to ensure that all orders and instructions which the Stock Broker receives from the client are absolutely clear and unambiguous. In the event any of the orders and instructions so received by the Stock Broker from the client is not absolutely clear and unambiguous, the stock broker shall not execute such orders or instructions.

(xvi) Where circumstances require, the Stock Broker shall have the right to refuse to accept the whole or a part of any orders or instructions from the client and / or refuse to execute the whole or a part of any accepted orders or instructions or cancel whole or part of any accepted orders or instructions, without providing any reasons therefor. In particular, the Stock Broker may refuse to accept or execute the whole or a part of any order or instruction (a) based on the Stock Broker's risk perception; or (b) instances in respect of which the client requires regulatory approval, even if the client has sought and obtained the required regulatory approvals.

(xvii) The Stock Broker shall intimate the client of any changes to the applicable legal and regulatory approvals in respect of the client's orders, instructions and transaction. However, the client shall continue to be responsible for complying with all such applicable legal and regulatory approvals in respect of the client's orders, instructions and transactions at the client's cost, and the Stock Broker shall not be liable or responsible for any failure or default in respect thereof.

(xviii) The client agrees and confirms that the Stock Broker may in its discretion at any time allow or disallow margin trading by the client. For this purpose, the Stock Broker shall be entitled to from time to time require the client to deposit such amounts and Securities as margin as the Stock Broker may, in its sole discretion determine. The client shall ensure that the Outstanding Positions of the client do not exceed the limits specified by the Stock Broker and are Squared-off within such period as specified by the Stock Broker.

(xix) The client alone shall be responsible and liable for all transactions executed by the Stock Broker under or pursuant to the terms hereof and / or the power(s) of attorney, which power of attorney shall be/ has been executed in accordance with the applicable SEBI regulations.

(xx) The Stock Broker or Stock Broker and depository participant shall not directly

/ indirectly compel the Client (Trading Account holder) and/ or Associated account member to execute Power of Attorney (PoA) or Demat Debit and Pledge Instructions (DDPI) in favour of the Stock Broker or Stock Broker and depository participant (as the case may be) or deny services to the Client (Trading Account holder) and Associated account member if the Client (Trading Account holder) and/ or Associated account member refuses to

execute PoA or DDPI (as the case may be)

(xxi) In case the Client (Trading Account holder) or Client and Associated account member wish to execute PoA or DDPI in favour of the Stock Broker and/ or depository participant, authorizing it to operate Designated Bank Account and Designated Depository Account and / or the Associated Accounts, please refer to the guidelines issued by SEBI/Exchanges in this regard.

(xxii) The word “Power of Attorney (PoA)” shall be substituted as “Power of Attorney (PoA) (for the PoAs already executed in favour of the Stock Broker and / or depository participant) or Demat Debit and Pledge Instruction (DDPI), as the case maybe”.

## **6. TRANSACTIONS AND SETTLEMENTS**

(i) The client shall be responsible for paying and delivering to the Stock Broker the required funds or Securities within such time as the Stock Broker may specify for fulfilment of the client's payment and delivery obligations. If the client fails to deliver to the Stock Broker any Securities that (a) have been sold by or for the client; or (b) are required to be delivered by or for the client pursuant to the obligations under the terms of any other contract or arrangement; when required by the Stock Broker, then the Stock Broker shall be entitled (but not bound to), in its own discretion and at the risk and cost of the client, to obtain the Securities necessary to enable the Stock Broker to make delivery.

(ii) The client agrees and confirms that unless the Stock Broker otherwise permits, all orders for the purchase and / or sale of Securities shall result in delivery of Securities for a sale trade or payment for purchase transactions. Provided that in respect of orders relating to Option and / or Future Contracts, payment or delivery of Securities shall be made well in advance by the client at such time as may be stipulated by the Stock Broker.

(iii) The client agrees and confirms that the Stock Broker may from time to time impose and vary limits on the orders which the client can place through the Website (including exposure limits, turnover limits, limits as to the number, value and / or kind of securities in respect of which orders can be placed, the companies in respect of whose securities orders can be placed, etc.). The client is aware and agrees that the Stock Broker may need to vary or reduce the limits or impose new limits urgently on the basis of the Stock Broker's risk perception and other factors considered relevant by the Stock Broker, and the Stock Broker may be unable to inform the client of such variation, reduction or imposition in advance. The client agrees that the Stock Broker shall not be responsible for such variation, reduction or imposition or the client's inability to route any order through the Website on account of any such variation, reduction or imposition of limits. The client understands and agrees that the Stock Broker may at any time, at its sole discretion and without prior notice,



prohibit or restrict the client's ability to place orders or trade in securities through the Stock Broker.

(iv) The client agrees and confirms that the Stock Broker shall not be obliged to deliver any Securities or pay any money to the client unless and until the same has been received by the Stock Broker from the Exchange, the clearing house or clearing corporation of the Exchange or the concerned mutual fund or other company or entity liable to make payment. Unless the Stock Broker otherwise determines, and subject to the Stock Broker's rights of set off and other rights, the Securities to be delivered by the Stock Broker to the client pursuant to the client's purchase transactions shall be delivered by the Stock Broker to the Associated Depository Account and sale proceeds to be paid by the Stock Broker to the client shall be credited to the Associated Bank Account.

(v) The client agrees and confirms that in the event the Exchanges or SEBI levy any penalty or charges on the Stock Broker or the Stock Broker suffers any loss including as a result of non-delivery of Securities or non-payment of funds corresponding any pay-in or pay-out obligations of the client, or in case shortfall of margins, or forced square-offs/ liquidation, any such losses, liabilities or levies shall be solely borne by the client.

(vi) The client agrees and confirms that orders will generally be routed to the Exchange's computer systems within a few seconds from the time the order is placed by the client on the Website, the Stock Broker shall not be liable for any delay in the execution of any order or for any resultant loss on account of the delay. In case of a market order, the client agrees that he will receive the price at

which his order is executed by the exchange's computer system; and such price may be different from the price at which the security is trading when his order is entered into the Website. The client acknowledges that the Stock Broker may, at its sole discretion, subject any order placed by a client to manual review and entry, which may cause delays in the processing of the client's order or may result in rejection of such order

(vii) The client agrees and confirms that the Stock Broker may effect a short delivery to the client, inter alia, where (a) the counterparty, being the seller(s) in the respective transactions, deliver(s) short to the Exchange; and / or (b) the Exchange is not able to buy-in the Securities falling short on behalf of the defaulting party and therefore closes out the transaction as per the Exchange's Provisions.

(viii) The client agrees and confirms that the Stock Broker shall have the right to allocate Securities and money among the client and other clients of the Stock Broker in a manner and form that the Stock Broker deems fit where

(a) the Stock Broker has a net purchase obligation in respect of the client and other clients, but receives a short delivery and

(b) (where applicable) the Exchange is only able to partly receive in auction



and partly close out the Securities falling short on behalf of the defaulting party.  
(ix) The client shall not, acting alone or in concert with others, directly or indirectly, hold and / or control futures contracts in excess of the permitted number as fixed from time to time by the Exchange(s).

(x) The client agrees and confirms that all Securities and money in the Associated Accounts or with the Stock Broker or held by the Designated Bank to the client's account (whether solely or jointly with another or others) shall be subject to a lien for the discharge of any and all then current or future indebtedness or any other obligation (including contingent indebtedness or obligation) that the client may have to or through the Stock Broker; and the same may be held by the Stock Broker as security for the discharge thereof. The Stock Broker accordingly, shall have the right to set off any amounts payable to the client against any present or future receivables from the client (whether accrued or contingent) and the Stock Broker may, in its sole discretion, determine which Securities are to be sold or appropriated, which account is to be debited or which contracts are to be closed.

(xi) The client confirms that the Stock Broker may at its discretion and with or without notice to the client, set off any (a) Securities or money due to the client arising from trades executed on any exchange (any segment thereof) with the shortfall or additional requirements of Securities or money arising from trades executed on another exchange (any segment thereof), or (b) Securities or money due to the client arising from trades executed on a segment of an exchange with the shortfall or additional requirements of Securities or money arising from other trades executed whether on the same or any other segment of the same exchange.

(xii) In the event of failure of the client to fulfil its/ his obligations to the Stock Broker, the derivatives Segment of the Exchange or the Clearing House of the Exchange, the client's position may be closed out and the money, if any, of the client available with the Stock Broker, the derivatives Segment of the Exchange or the Clearing House of the Exchange may be adjusted against the client's liabilities / obligations.

(xiii) The client shall credit the required fund / Securities to Associated Bank Account or the Associated Depository Account as the case may be, promptly to ensure that the funds / Securities shall be received and processed on or prior to the settlement date or a date intimated by the Stock Broker, whichever is earlier. If the funds / Securities are not received as aforesaid, then the Stock Broker may at its sole discretion Square-off, cancel or liquidate the transaction without any prior intimation to the client. In the event of liquidation of the client's Associated Accounts, the client shall be liable for any resulting losses and all associated costs incurred by the Stock Broker.

## **7. MARGIN**

(i) The client is liable to pay an initial margin up-front on or before creating

a position in any derivatives contract. Such margin shall be decided upon by the Stock Broker or the Exchange from time to time. Furthermore the client is liable to pay (or receive) daily margins depending on whether the price of the derivatives contract moves for or against the position undertaken. The client may also be liable to pay withholding margins, special margins or such other margins as are considered necessary by the Stock Broker or the Exchange from time to time.

(ii) In case the client does not provide the required margin or any other payment whatsoever within the time frame specified by the Stock Broker, the Stock Broker shall have the right to appropriate and / or sell and / or instruct the Designated Bank to sell and / or transfer all or any Securities or money in the client's Account and / or any Associated Account and / or the proceeds thereof, Square off all or any Outstanding Positions, prevent any new orders from being placed and / or executed by the client or take such other action as the Stock Broker thinks fit and proper. The Stock Broker may exercise all or any of the above rights in such manner as the Stock Broker thinks appropriate, without demand for additional margin, security or collateral, or advance notice or advertisement, on any exchange or other market where such business can be transacted, at a public auction or by private sale and the Stock Broker may be the purchaser / seller for its own account. The giving of any prior demand, call or notice shall not be considered as a waiver of the Stock Broker's right to exercise its rights without any such demand, call or notice including the right, to set off any (a) Securities or money of the client arising from trades executed on any Exchange (any Segment thereof) with the shortfall or additional requirements of Securities or money arising from trades executed on another exchange (any segment thereof), or (b) Securities or money of the client arising from trades executed on a Segment of an Exchange with the shortfall or additional requirements of Securities or money arising from other trades executed whether on the same or any other Segment of the same Exchange.

(iii) In respect of the contracts entered into by the client, the client may, from time to time, be entitled to receive amounts or Securities representing mark to market

profits, and shall be liable to pay amounts or Securities representing mark to market losses. The client shall forthwith on demand by the Stock Broker pay to the Stock Broker the amounts and Securities representing mark to market losses.

(iv) The client shall keep himself / herself abreast of the stock market activity and news. In case of high market volatility, the Stock Broker may require the client to pay instantaneous margins in addition to the margins that may have already been paid by the client as per margin calls. The Stock Broker may be compelled to in such circumstances of market volatility, in absence of the payment of the said instantaneous margins by the client, Square off all or any Outstanding Positions, prevent any new orders from being placed and / or

executed by the client or take such other action as the Stock Broker thinks fit and proper.

(v) The client agrees and confirms that in case of shortfall in margin, the Stock Broker shall check for availability of additional limits in clients Associated Accounts to see whether adequate additional limits are available to restore the margin level to the initial margin level and if no such limits are available then the client's Outstanding Positions may be Squared- off by the Stock Broker, at its discretion, without notice to client.

## **8. MODIFICATION / CANCELLATION REQUESTS**

(i) The modification / cancellation of an order pursuant to the client's request shall not be guaranteed. The order will be modified / cancelled only if the client's request for modification is received and the order is successfully modified before it is executed. Market orders are subject to immediate execution wherever possible.

(ii) The client shall not be entitled to presume an order as having been executed, modified or cancelled until a confirmation from the Stock Broker is received by the client. However, due to technical or other factors the confirmation may not be immediately transmitted to or received by the client, and such delay shall not entitle the client to presume that the order has not been executed, cancelled or modified unless and until the Stock Broker has so confirmed in writing.

(iii) The client agrees and confirms that, notwithstanding anything contained above, any orders not executed at the end of Trading Hours may be cancelled by the Stock Broker unless the Stock Broker offers the facility of carrying forward unexecuted orders and the client has informed the Stock Broker of his desire to carry forward the concerned unexecuted orders and the Stock Broker agrees to carry forward such orders.

(iv) In the event the Exchange suspends, cancels or annuls a payout of funds or Securities the Stock Broker shall also be entitled to suspend, cancel or annul the relevant pay-out to the client.

## **9. BROKERAGE, COMMISSIONS AND FEES**

(i) The client agrees and confirms that the Stock Broker may from time to time in its sole discretion, but subject to the Exchange Provisions, and any restrictions imposed in this behalf by SEBI determine / modify the amount of brokerage,

commissions, fees and other amounts payable by the client. The Stock Broker shall provide the details of the same on the Website and / or by written notice to the client 15 (fifteen) days prior to any such modification and the client shall be required to confirm the same electronically or otherwise. In the event the client refuses to accept the modified terms, then the Stock Broker shall not have any obligation to continue providing Services.

(ii) The client shall be liable in respect of all stamp duty and documentary taxes required to be paid in respect of all contract notes and all instruments required to be executed (whether by the Stock Broker and / or the client or any other person) pursuant to the Services, including all penalties thereon. Further, without prejudice to the aforesaid, the client agrees and undertakes to pay additional stamp duty, if required to be paid on any of the aforesaid said instruments, by virtue of the said instrument being received at any place at any time subsequent to its execution. Notwithstanding the aforesaid, the Stock Broker shall be entitled to pay the stamp duty and other documentary taxes and penalties (if any) on behalf of the client and thereupon, the client shall promptly upon demand by the Stock Broker in this behalf, reimburse the Stock Broker in respect of any such payments by the Stock Broker.

## **10. CONFIRMATIONS, ELECTRONIC CONTRACT NOTES AND ELECTRONIC COMMUNICATIONS**

(i) Online confirmation will be available to the Client upon execution or cancellation of an order placed by him through the Website. This shall be followed by a confirmation, which may be sent by postal mail, electronic mail or other electronic means. It is the responsibility of the Client to review upon first receipt, whether delivered to him online, by postal mail, by electronic mail, or other electronic means, all confirmations of transactions or cancellations.

(ii) The client agrees and confirms that the documents, statements or information, including in respect of margin calls and confirmations of the execution or cancellation of a trade sent by the Stock Broker by postal mail, electronic mail or other electronic means shall be deemed to be a valid delivery thereof by the Stock Broker. The electronic communication may be in the form of email, short messaging service on cellular phones or in the form of a download / information available on the Website or in the client's trading zone of the Website. In case of an electronic confirmation, any conduct by the client sufficient to indicate to the Stock Broker that the electronic confirmation has been received by the client shall be considered an acknowledgment of receipt by the client to the Stock Broker of the said electronic confirmation. The Stock Broker would be deemed to have fulfilled its legal obligation to deliver a document to the client if it is sent by the electronic mode and such communication will be binding on the client. The client shall download the said document promptly on intimation of a notice of its display. Provided that on a request being made by the client, due to a difficulty experienced by the client in viewing the same, the Stock Broker may in its discretion make the required delivery by such other means as it may deem appropriate.

(iii) The client agrees and confirms that there may be delay in the Stock Broker receiving the reports of transaction status from the Exchange or other persons in respect of, or in connection with the contracts or transactions

entered into by the Stock Broker. Accordingly, the Stock Broker may forward to the client late reports in respect of such transactions that were previously unreported to him or were incorrectly reported to him as being expired, cancelled or executed. The client shall not hold the Stock Broker responsible for any losses suffered by the client on account of any late reports / statements or any errors in reports / statements computed by or received from the Exchange.

## **11. INVESTMENT ADVICE**

The Client acknowledges that the Stock Broker shall not be liable to provide him with any legal, tax, investment or accounting advice or advice regarding the suitability or profitability of a security or investment. The Client also acknowledges that the Stock Broker's employees are not authorized to give any such advice and that the Client will not solicit or rely upon any such advice from the Stock Broker or any of its employees. The Client assumes full responsibility, and confirms that with respect to his/ her/ its investment decisions and transactions, the Stock Broker, its officers, directors, partners, employees, agents and affiliates will have no liability.

## **12. REIMBURSEMENTS**

If any claims, liabilities, damages, costs or expenses arise as a result of any breach by the client of any of provisions contained herein, or any violation of third party rights arising out of the Services rendered by the Stock Broker pursuant to these provisions, or any willful default or wrongful act of the client, and if the stock broker makes payments to / indemnifies any third party in relation to such claims, liabilities, costs or expenses on behalf of the client, then the client shall be liable to reimburse to the Stock Broker any and all such payments, claims, liability, costs, expenses (including but not limited to lawyer's fees and penalties or costs imposed by any Exchange).

## **13. DISCLAIMERS**

(i) The client understands and agrees that in the event the client receives or accesses any investment research reports or other recommendations or advice from the Stock Broker (or any employee or official of the Stock Broker) or on the Website, the same is on a no-liability, no-guarantee and no-obligation basis and any decision, action or omission thereon shall be entirely at the client's risk and should be based solely on the client's own verification of all the relevant facts, financial and other circumstances, a proper evaluation thereof and the client's investment objectives and the Stock Broker shall not be responsible or liable for the same for any reason whatsoever.

(ii) The client confirms and understands that the Service may not be uninterrupted or error free. The Stock Broker's Service is provided without warranties of any kind, either express or implied, including, without limitation, those of uninterrupted availability, merchantability or fitness for a particular

purpose.

(iii) The client confirms and understands that certain Securities may grant the holder thereof valuable rights that may expire unless the holder takes action. The client shall be responsible for knowing the rights and terms of all Securities in his accounts and the Stock Broker shall not be obligated to notify the client of any upcoming expiration or redemption dates, or take any other action on the client's behalf, except as required by law and applicable Exchange Provisions. The client shall also be responsible for knowing about reorganisations related to Securities, which the client holds including, but not limited to, stock splits. If, due to a reorganisation or book-keeping or data entry error, the client sells more Security than he actually owns or different Securities from what he actually owns, then the Stock Broker shall not be responsible for any losses that the client may incur by reason thereof.

(iv) The client agrees and confirms that the Stock Broker and / or its agents shall not be liable or responsible for any loss or liability caused or incurred directly or indirectly due to any act or omission of the client or any lost opportunity, actual or perceived, caused directly or indirectly by government restriction, Exchange or market rulings or regulation, suspension of trading, war, earthquakes, flood, accident, strikes, power failure, computer, communication line failure, system or telephone failure, security failure on the Internet, equipment or software malfunction, hacking, unauthorised access, theft, strikes or any problem, technological or otherwise, that might prevent the client from entering, or the Stock Broker from executing an order, or any other conditions beyond the Stock Broker's control.

#### **14. NOTICES**

The client confirms that any notice or other communication to be given by any party to the other in connection with the Services shall be in writing and shall be deemed duly served if delivered personally or sent by facsimile transmission or by prepaid registered post or by e-mail to the addressee at the address or (as the case may be), the e-mail or facsimile number (if any), of that party set opposite its name below: To the Stock Broker at the address, fax number or e-mail address stated address stated below:

Edelweiss House, Off CST Road, Kalina, Mumbai - 400098, Contact No.: +91 22 40094400. Email: [complianceofficer.eil@edelweissfin.com](mailto:complianceofficer.eil@edelweissfin.com)

To the client at the address, fax number or e-mail address stated in the Schedule or at such other address, facsimile number or e-mail address as the party to be served may have notified the other in accordance with the provisions of this paragraph. This paragraph shall survive the termination/cessation of the stock broker-client relationship. The Client shall receive daily margin reports relating to orders, margins, maintenance calls and other similar matters in the ordinary course of dealings between the Stock Broker and the Client and in addition to

such daily reports, the Stock Broker may also communicate the same orally.

## **15. AMENDMENT AND SUSPENSION**

(i) In the event that the client avails of the Stock Broker's IBT Service or other Services offered through the Website, the client understands and agrees that the Stock Broker may suspend or discontinue his Services in part or entirely by giving a notice thereof to the client. In addition to that the Stock Broker shall conspicuously post notice of such change on the Website. Notice(s) issued by the stock broker by electronic mail would be deemed to be in writing. The client agrees and undertakes to regularly and promptly (and, in particular immediately prior to and at the time of placing any order) keep himself updated of all postings on the Website and also of all other amendments notified by the Stock Broker from time to time. Continued use of the Stock Broker's Service after such notice will constitute acknowledgment and acceptance of such amendment by the client.

(ii) The client agrees that the Stock Broker may suspend or terminate the Services without prior notice to the client if or completeness of market data or any other market information, or any messages disseminated by it.

(iii) The client agrees that the Client shall not furnish market information provided by the Exchange to any other person or entity for consideration or otherwise and in the event the Client uses such information he shall do so at his own risk and cost. The client will not delete copyright or other intellectual property rights notices the client has breached any terms or conditions or if the Stock Broker learns of the death, disability, bankruptcy or lack of legal capacity of the client, or where in the perception of the Stock Broker, the continuation of the Service could increase the risks to the Stock Broker. Provided however, if the rights and obligations of the Stock Broker or client are altered by virtue of a change in the Exchange Provisions and / or circulars issued thereunder, and rules or regulations of SEBI and / or any notifications or instruction of any Government authority, such changes shall be deemed to have been incorporated herein in and the rights and obligations of the Stock Broker and client shall be deemed to have been modified accordingly.

## **16. ASSIGNMENT**

The client shall not assign any right and obligations hereunder without first obtaining the Stock Broker's written consent.

## **17. SEVERABILITY**

The client confirms that in the event of any provisions hereof being held to be or becoming invalid, unenforceable or illegal for any reason, the remaining rights and obligations shall remain otherwise in full force apart from the said provision which will be deemed deleted; The Stock Broker and the client shall however attempt to replace the deleted provision with a legally valid provision that reflects the same purpose as the deleted provision to the greatest extent possible.



## 18. WAIVER

Notwithstanding anything stated elsewhere herein the Stock Broker shall have the right, in its sole discretion to waive in whole or in part all or any of the obligations contained herein. [In case of such waiver:-

(i) the provisions relating to Associated Accounts and the operation thereof (and / or any other waived provisions) shall be construed accordingly;

(ii) in the absence of any Associated Bank Account, all payments by or to the client shall be effected through and / or by a cheque / demand draft of a bank acceptable to the Stock Broker (which may be a bank other than the Designated Bank) or in such other manner as the Stock Broker may specify; and

(iii) in the absence of any Associated Depository Account, all deliveries of Securities by or to the client shall be effected through any depository account acceptable to the Stock Broker or in such other manner as the Stock Broker may specify. Provided always that notwithstanding anything stated above, the client confirms that the Stock Broker shall have the right, at any time in its sole and absolute discretion, to withdraw such waiver in whole or in part without assigning any reasons.