

COMPANY POLICY AND PROCEDURE FOR AVAILING SECURITIES TRADING SERVICES THROUGH SPA SECURITIES LIMITED

The client is desirous to open a trading account with SPA Securities Limited (hereinafter referred to as "SPA") and has / have read and understood the Rights and Obligations, Risk Disclosure Document and Guidance Note as provided in this form. As required by the SEBI, the following are the policies and procedures, with respect to certain aspects / areas, for availing securities trading services through SPA. The following policies and procedures are without prejudice to other terms and conditions, as specified and / or may be specified from time to time, by SPA and agreed by the constituent in the voluntary documents.

1. Refusal of orders for penny stocks

SPA may from time to time, limit / refuse orders in one or more securities which are not in the permitted list of securities of SPA / Stock Exchanges / SEBI or in the list of illiquid securities of the Stock Exchanges (hereinafter referred to as the Penny Stocks). SPA may require the client for compulsory settlement / payment in advance of the estimated settlement value / securities prior to acceptance of orders for trading in such Penny Stocks. Further, the Stock broker shall not be liable to any loss, damage, expense which may occur to the client due to refusal to trade by SPA in such Penny Stocks. Further, the Stock broker may require reconfirmation / explanation from the clients for orders of the securities which are larger than that specified by the Risk Management Policy of SPA. The execution of such orders shall be at the discretion of SPA.

2. Exposure Limits

The CLIENT agrees and confirms to abide by the exposure limits, if any, set by SPA or by the Exchange or Clearing Corporation or SEBI from time to time.

SPA may from time to time, at its sole discretion, impose and vary limits on the orders that the client can place through the SPA's website (including but not limited to exposure limits, turnover limits, limits as to the number, value and/or kind of securities/ contracts in respect of which buy or sell orders can be placed etc). The client is aware and agrees that SPA may need to vary or reduce the limits or impose new limits urgently on the basis of SPA's risk perception and other factors considered relevant by SPA and SPA may be unable to inform to the client of such variation, reduction, imposition in advance. The client agrees that SPA shall not be responsible for such variation, reduction and imposition of limits. The client understands and agrees that SPA may, as a risk containment measure, at any time at its sole discretion and without prior notice prohibit or restrict the client's ability to place orders or trade in all of some of the securities/ contracts through SPA. The Client further understands that SPA may include such a feature in any of the products offered through the website for trading.

3. Brokerage and Other Charges

- (a) The client confirms and agrees that the brokerage shall be paid in the manner intimated by SPA to the client from time to time, including as a percentage of the value of the trade or as a flat fee or otherwise, together with the service tax as may be applicable from time to time on the same. The client further agrees to pay any applicable taxes including the securities transaction tax, duties and levies as may be levied on the transaction from time to time.
- (b) SPA shall debit the charges of the depository participant for the trades and the bank charges for the realization of cheques etc. to the client's account.
- (c) User Fees/ Other Charges : The client agrees that SPA or any of its affiliates may charge user fees for the use of any other services including but not restricted to Internet Trading ancillary services, use of the website platform and the call and trade services at rates mentioned on the website or otherwise intimated and as modified from time to time including but not limited to the following

The Client agrees and confirms that SPA shall have right to debit the following charges to the account of the Client

- (I) Trading Account Opening Charges
- (II) Bank Charges for clearance of cheque
- (III) charges for availing research reports
- (IV) charges of availing special facility for mobile broking, sms facility.
- (V) Inter settlement charges
- (VI) Auction charges
- (VII) Penalties levied by the exchange for client limit violations or for any reason attributable to any error, omission or commission or any act, deed or thing omitted or committed by the client.
- (VIII) Charges for dishonor of cheque(s) given by the client
- (IX) Any other charges for the special services /facilities availed by the client.

4. Delayed Payment

The client confirms and agrees that any amounts which are overdue from the client or a member of the client's family towards trading either in the cash or derivative segments or on account of any other reason to SPA or to any of the SPA's group or associate companies, will be charged delayed payment charges at the rate of 2% per month or such other rate as maybe determined by SPA. The client hereby authorises SPA to directly debit the same to the account of the client at such periods as may deem fit by SPA. The client also authorises SPA to debit charges for depository services availed from SPA to the trading account. The client also agrees that any amount overdue from him (including the interest on delayed payment) shall be adjusted by SPA from dues owed to the client by any group or associate company of SPA. Conversely, any money owed by any group or associate company of SPA to the client shall be offset against the dues owed by SPA to the client. The Client consents to sharing information relating to his trading account with the Banks / Financial Institutions from which SPA has borrowed funds to meet the pay-in obligations of the client or client's family, in case of delayed payment.

5. The right to sell client's securities or close client's position, without giving notice to the client, on account of non-payment of client's due

The client shall ensure timely availability of funds / securities in designated form and manner on or before designated time and in designated bank and demat accounts at designated place for meeting his / her pay-in / margin obligations. SPA shall not be responsible for any claim / loss / damage arising out of non-availability / shortage of funds / securities by the client in designated accounts of SPA for meeting the pay-in / margin obligation of either funds or securities.

SPA has the right but not the obligation, to cancel all pending orders and to sell / close out / liquidate all open positions / securities at the predefined square off time or when Mark to Market (M to M) percentage reaches or crosses stipulated margin percentage depending upon the market conditions. In the event of such square off, the client agrees to bear all the losses based on actual executed prices. In case open position gets converted into delivery due to non-square off, the client agrees to provide securities / funds to fulfill pay-in / margin obligation failing which the client will have to bear the cost / damage / loss or any other expense as result of auction or internal close outs; in addition to that the client will have to pay penalties and charges, if any, levied by Exchange(s).

SPA is entitled to prescribe the date and time by which the margin / securities is to be made available and SPA may refuse to accept any payments in any form after such deadline.

Notwithstanding anything to the contrary in this document, if the client fails to maintain or provide the required margin / fund / securities or to meet the funds / margin / securities pay-in obligation for any orders / trades on any Exchange, SPA shall have the right without any further notice or communication to the client to:

- (I) Withhold any pay-out of funds / securities to the extent of default made by the client.
- (II) Withhold / disable the trading account of the client.
- (III) Liquidate one or more positions / securities of the client to the extent of default made by the 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:

(a) In case of Purchases:

Notwithstanding the margin position in case of purchase on behalf of client, the client confirms, agrees and authorises SPA to close out the transactions by selling the securities, in case the client fails to make full payment to SPA for the execution of the contract within two days of trade execution or before pay-in-day (as fixed by stock exchange for the concerned settlement period) or within such period as may be intimated by the Stock broker, whichever is earlier, unless the client already has an equivalent credit with SPA. The loss incurred in this regard, if any, will be met from the margin money of the client. The client agrees to make good the shortfall, if any, immediately on being intimated of the shortfall by SPA. Additionally, the Client may not be allowed to take further position.

(b) In case of Sale:

Notwithstanding the margin position in case of sales on behalf of client, the client authorises SPA to close out the contract by effecting purchases if the client fails to deliver the securities sold with valid transfer documents within two days of the trade execution or before delivery day (as fixed by stock exchange authorities for concerned settlement period) or within such time frame as may be intimated by the Stock broker, whichever is earlier. Loss on transaction, if any, will be deductible from the margin money of the client. The client agrees to make good the shortfall, if any, immediately on of being intimated of the shortfall by SPA. Additionally, the client may not be allowed to take further position.

(c) Other Restrictions:

SPA may, in its sole discretion, restrict the client to take any further position and / or square off any outstanding position of the client due to any restrictions in relation to volume of trading/ outstanding business or margins stipulated by the Exchange, Clearing Corporation/ Clearing House and/or SPA and/or any other extraordinary even warranting such square off.

7. Shortages in obligations arising out of internal netting of trades:

There can be cases of internal shortages of deliveries due to exchange netting of trades. In such cases, the trades or deliveries may be auctioned internally by SPA at the highest of either (i) the purchase price from the market (by SPA) or (ii) Exchange weighted Average Price of that settlement or (iii) valuation price announced by the Exchange. In certain cases where some corporate action is due or where the Stock broker is not able to purchase the stock for the purpose of settling actual shortage due to netting of trades, the Stock broker may in its sole discretion square off the trade at highest price till the auction day or 20 % higher than the close price on auction day. In case of internal shortage in trade to trade segments, the Stock broker may, at its sole discretion close the position through auction or square off. It is also advised that, clients should trade only after checking the available balance of clear securities and any trade / sale on the basis of securities receivable either from Exchange or other clients would be at the sole risk and responsibility of the Client.

8. Temporarily suspending of client's Account

The client may request the Stock broker to temporarily suspend his account, and SPA may do so subject to the client accepting / adhering to conditions imposed by SPA including but not limited to settlement of account and / or other obligation.

9. De-registration of a Client

In addition to the conditions specified in the Rights and Obligations document and any Terms and Conditions accepted by the client, the stock broker shall have right to terminate the agreement with the client with immediate effect in any of the following circumstances:


- i. If the trading of the client is found to be illegal / improper or such as to manipulate the price of any securities or to be disturb the normal / proper functioning of the market, either alone or in conjunction with others.
- ii. Upon death, lunacy or other disability of the client.
- iii. If a receiver, administrator or liquidator has been appointed for all or any part of the assets of the client.
- iv. If the client has become bankrupt or bankruptcy proceedings have been initiated by or against the client.
- v. If the client being a partnership firm, has been dissolved or initiated steps for dissolution of the firm.
- vi. If the client has made any material misrepresentation of facts.
- vii. If there is reasonable apprehension that the client is unable to pay his debts or the client has admitted his inability to pay his debts, as they become payable.
- viii. If the client has breached any term, condition or covenant of any of the Agreement entered into with the client or any terms and conditions as may have been accepted by the client.

Notwithstanding the termination of the agreement, all transactions made under / pursuant to the Rights and Obligations document and any other agreement entered into between the client and SPA shall be honored by the respective parties to the agreement.

10. TERMINATION OF THESE TERMS & CONDITIONS

The client may terminate this confirmation/ document at any time by giving a written notice. However all the obligations of the client prior to the termination of these Terms and Conditions shall continue to subsist.

I / We accept, understand, confirm and acknowledge the aforesaid terms.

Client Signature (In case of Non-Individual, please affix stamp)	Signature		Date	
	Name		Place	