

## TERMS AND CONDITIONS GOVERNING INTERNET TRADING TRANSACTIONS ON

<https://trade.zenmoney.com>

This document contains the terms and conditions (the "Terms") applicable to the opening and operation of your (hereinafter referred to as the "Client") account for utilising the Internet Trading services offered by Zen Securities Limited (hereinafter referred to as the "Member"), a trading member of National Stock Exchange of India Limited, (hereinafter Referred to as "NSE") and Bombay Stock Exchange Limited, (hereinafter referred to as "BSE") (NSE, and BSE are hereinafter individually referred to as "Exchange") and collectively referred to as the "Exchanges" and registered as a member with Securities and Exchange Board of India (hereinafter referred to as "SEBI") under certificate of registration no. INB230684937, INF230684937 (in respect of NSE membership in Capital Market segment & Derivative Segment), INB010684935, INF010684935 (in respect of BSE membership in Capital Market segment & Derivative Segment).

These Terms shall form part of the Member Client Agreement (hereinafter referred to as "Agreement") entered into between the Member and the Client. The Client's access to and use of the account with the Member is subject to the Client's compliance with all the terms and conditions set forth herein.

### TERMS AND CONDITIONS GOVERNING THE SERVICE

#### **AGREEMENT:**

The Member agrees to provide the Member's Internet Based Trading Service to the Client, and the Client agrees to avail of the Member's Internet Based Trading Service, on and subject to the terms and conditions of the Agreement, the Exchange Provisions and the terms of the Member's Internet Based Trading Web Site.

#### **SUPPLEMENTAL TO AGREEMENT BETWEEN STOCK BROKER AND CLIENT**

The Agreement is in addition to, and does not supersede, the Main "**AGREEMENT BETWEEN STOCK BROKER AND CLIENT**" which is entered by the Member with the Client at the time of opening of broking account. Save and except as modified expressly or by implication by the Agreement the Exchange Provisions or the terms of the Member's Website, the provisions of the Main **AGREEMENT BETWEEN STOCK BROKER AND CLIENT** shall apply *mutatis mutandis* to the extent applicable to dealings between the Member and the Client pursuant to or otherwise relating to the Member's Internet Based Trading Service.

#### **THE ACCOUNT:**

Client has received from Member and has read, and fully understands and accepts the provisions of the agreement. Client hereby declares that Client is the ultimate beneficial owner(s) of the Account, and that Client is not related to or associated with any of Member's employees or agents including without limitation as a spouse or as a child under 18 years of such employees or agents and agree that if Client become related to or associated with any of such employees or agents, Client shall promptly notify in advance to the Member, of the existence and nature of such association and acknowledge and agree that Member may, upon receipt of such notice, at Member's absolute discretion, terminate the Account. The Member hereby agrees to provide to the Client, the services in respect of buying, selling and otherwise dealing in securities which are admitted for dealings on the stock exchanges and the Client hereby agrees to avail such services provided by the Member.

#### **USER NAME AND PASSWORD/ACCESS TO THE INTERNET TRADING SYSTEM:**

The Client will be allotted a Username, Password and a PIN, which enables to establish the identity of the Client, at the time of accessing the Member's Internet Based Trading System for availing the services. The Client agrees to provide the required login information, which shall be used by the Member to establish the identity of the Client at the time of accessing the Member's Internet Based Trading System and also at the time of availing the services offered by the Member. The Login Information given by the Client may be used by the Member to ensure the bonafide identity of the client and the privacy of information is being maintained.

## **GENERAL TERMS AND CONDITIONS GOVERNING THE SERVICE**

### **AGREEMENT:**

The Member agrees to provide the Member's Internet Based Trading Service to the Client, and the Client agrees to avail of the Member's Internet Based Trading Service, on and subject to the terms and conditions of the Agreement, the Exchange Provisions and the terms of the Member's Internet Based Trading Web Site.

### **SUPPLEMENTAL TO AGREEMENT BETWEEN STOCK BROKER AND CLIENT**

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### **THE ACCOUNT:**

Client has received from Member and has read, and fully understands and accepts the provisions of the agreement. Client hereby declares that Client is the ultimate beneficial owner(s) of the Account, and that Client is not related to or associated with any of Member's employees or agents including without limitation as a spouse or as a child under 18 years of such employees or agents and agree that if Client become related to or associated with any of such employees or agents, Client shall promptly notify in advance to the Member, of the existence and nature of such association and acknowledge and agree that Member may, upon receipt of such notice, at Member's absolute discretion, terminate the Account. The Member hereby agrees to provide to the Client, the services in respect of buying, selling and otherwise dealing in securities which are admitted for dealings on the stock exchanges and the Client hereby agrees to avail such services provided by the Member.

### **USER NAME AND PASSWORD/ACCESS TO THE INTERNET TRADING SYSTEM:**

The Client will be allotted a Username, Password and a PIN, which enables to establish the identity of the Client, at the time of accessing the Member's Internet Based Trading System for availing the services.

The Client agrees to provide the required login information, which shall be used by the Member to establish the identity of the Client at the time of accessing the Member's Internet Based Trading System and also at the time of availing the services offered by the Member.

The Information given may be used by the Member to ensure the bonafide identity of the client and the privacy of information is being maintained.

The Client is aware that the Member's Internet Based Trading System itself generates the initial password and that the Member is aware of the same.

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 Member.

The Client shall be responsible for keeping the Username Password and login information confidential and secure and shall be solely responsible for all orders entered and transactions done by any person whatsoever through the Member's Internet Based Trading System using the Client's Username and/or Password whether or not such person was authorised to do so.

1. The Client shall immediately inform the Member of any unauthorised use of the Client's Username and/or Password and/or login information with full details of such unauthorised use including the date of such unauthorised use, the manner in which it was unauthorisedly used, the transactions effected pursuant to such unauthorised use, etc.

2. The Client acknowledges that he is fully aware of and understands the risks associated with availing of a service for routing orders over the internet including the risk of misuse and unauthorised use of his Username and/or Password and/or login information by a third party and the risk of a person hacking into

the Client's account on the Member's Internet Based Trading System and unauthorisedly routing orders on behalf of the Client through the System.

3. The Client acknowledges that he is fully aware of and understands the risks associated with availing of a service for routing orders over the internet including the risk of misuse and unauthorised use of his Username and/or Password and/or login information by a third party and the risk of a person hacking into the Client's account on the Member's Internet Based Trading System and unauthorisedly routing orders on behalf of the Client through the System.

4. The Client shall log off from the Internet Based Trading System and Browser application as well, 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.

5. Without prejudice to the provisions of above Clauses, the Client shall immediately notify the Member in writing with full details if:

- discovers or suspects unauthorized access through his Username, Password, or account,
- notices discrepancies that might be attributable to unauthorized access,
- forgets the password or
- discovers a security flaw in the Member's Internet Based Trading System.

6. In any of the above events specified in the above Clauses, 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 Member in writing to discontinue his old Password; and thereupon the Member shall cause the Member's Internet Based Trading System to discontinue the use of the Client's old Password and the Member's Internet Based Trading System shall generate a new Password for the Client which shall be communicated to the Client. At no point in time shall the Member be liable for any loss, whether notional or actual, that may be suffered by the Client on account of the misuse of the Password.

7. The Client shall memorise the login information and not to record it in written or electronic form. It shall be the Client's sole risk and responsibility if the Client do record the login information in written or electronic form.

8. The Client agrees to choose a Password that must contain a mix of alphabets, numbers, and special characters, which must not be readily accessible personal data or guessable combination of letters and numbers.

9. The Client agrees to install the necessary safeguards and access restrictions to prevent unauthorized use of computer system and ensures that no other person except the client shall gain the access to the computer systems.

#### **TRANSACTIONS AND SETTLEMENTS:**

All orders for purchase, sale or other dealings in securities and other instructions routed through the Member's Internet Based Trading System via the Client's Username shall be **deemed to have been given by the Client**.

1. The orders and instructions and all contracts and transactions entered into pursuant thereto and the settlement thereof will be in accordance with the **Exchange Provisions**.

2. The Member may from time to time impose and vary **limits** on the orders, which the Client can place through the Member's Internet Based Trading System (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 Member may need to vary or reduce the limits or impose new limits urgently on the basis of the Member's risk perception and other factors considered relevant by the Member, and the Member may be unable to inform the Client of such variation, reduction or imposition in advance. The Client agrees that the Member shall

not be responsible for such variation, reduction or imposition or the Client's inability to route any order through the Member's Internet Based Trading System on account of any such variation, reduction or imposition of limits. The Client understands and agrees that the Member 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 Member's Website.

3. Though 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 Member's Internet Based Trading System, the Member shall not be liable for any **delay** in the execution of any order or for any resultant loss on account of the delay.

4. The Client agrees that the Member 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**.

5. 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 Member's Internet Based Trading System

6. The Client authorizes the Member to **Close-out / square-off** all his outstanding positions, which are not marked for delivery 15 minutes before closing time on the normal market. Any profit/loss arising out of square off shall be at the risk of and borne by the Client.

7. The Client acknowledges and agrees to be solely responsible for all **orders communicated through the Member's Internet Based Trading System**, and neither Member nor any of Member's directors, officers or employees shall be liable to the Client, or to any other person claiming under or through Client, for any claims made with respect to the receipt and execution of any such orders.

8. If Client resides or gives any orders to Member **from outside India**, Client agrees to ensure and represent that such orders will have been given in compliance with any and all applicable law of the relevant jurisdiction from which Client orders are given, and Client further agrees that Client shall, when, in doubt consult or obtain legal and professional advice in or of the relevant jurisdiction. Client accepts that there may be taxes, duties, impositions or charges payable to relevant authorities in respect of Client residing or the giving of any order from outside India and the execution of such order, and Client agrees to pay such taxes, duties, impositions or charges as are applicable. Client further agrees to indemnify Member on demand for any claims, demands, actions, costs and expenses Member may suffer or incur in connection with or arising from Client residing or giving of any such order from outside India.

9. The Client agrees to notify the Member in advance, in case of sale order where Client does not own securities (i.e. **short selling**).

10. The Member shall have an absolute **discretion to accept or reject any order** or the execution of any order until (as the case may be) there are sufficient cleared funds or sufficient securities in the Client's Account, for settlement of the relevant Transaction.

11. The Client acknowledges and agrees that Member and Member's directors, officers, employees, and agents shall not be responsible **or liable** for any loss suffered or which may be suffered by Client, arising from any delay or failure in the transmission, receipt, execution or confirmation of orders due to any breakdown, interruption or failure of transmission of the Internet, computer network, software, hardware, other computer devices, Internet system and any problem arising from the Client's side.

12. The Client agrees to indemnify fully and hold harmless the Member for any losses arising from the execution of order and / or instructions that got entered through the system at the Client 's end.

13. **Losses due to delay in delivery** of securities by the Client at the time of trade, shall be borne solely and completely by the Client. Losses for the purposes of this clause shall include **auction debits**, if any incurred as a result of non-delivery of securities on the settlement date to the exchanges.

14. The Member shall act as Client's **agent** in effecting the Transactions unless Member indicate (in the contract note for the relevant Transaction or otherwise) that Member are acting as **principal**.

#### **MARGIN:**

1. The Client agrees and undertakes to immediately deposit with the Member such cash, securities or other acceptable security, which the Member may require as margin. The Client agrees that the Member shall be entitled to require the Client to deposit with the Member a higher margin than that prescribed by the Exchanges. The Member shall also be entitled to require the Client to keep permanently with the Member a margin of a value specified by the Member so long as the Client desires to avail the Member's Internet Based Trading System.

2. The Client shall make the prescribed initial margin in the form of cash and/or in the form of securities (the "Margin") with the Member simultaneously at the time of opening of the account and prior to commencement of trading. The Client shall be permitted to trade up to a predetermined number of times of the Margin (the "Multiple") and the quantum of the Multiple on the Margin shall be as decided at the sole discretion of the Member. The Margin is not interest bearing. The Member can set off whole or part of the Margin against any dues of the Client.

3. The Member shall execute the trades only upon the realization of the cheques given by the Client.

4. The Member at its sole discretion prescribes the payment of Margin in the form of cash instead of securities.

5. The Client agrees that any securities placed as Margin may in turn be placed as margin by the Member with the Exchanges or banks or such other institutions as the Member may deem fit.

6. The Client's positions are valued at the latest market price available (mark to market) on a continuous basis by the Member. If on such mark to market the loss incurred by the Client is more than the Margin available with the Member, the Client shall instantaneously pay additional Margin.

7. In case of shortfall of Margin, the Member may close-out / square-off the Client's positions or liquidate any securities placed by the Client.

#### **CANCELLATION REQUESTS:**

1. When the Client places a request to cancel an order, the cancellation of that order is not guaranteed. The order will only be cancelled if the Client's request for cancellation is received and the order is successfully cancelled before such order gets to be executed.

2. The Client shall not be entitled to presume an order as having been executed or cancelled until the Client receives a confirmation message from the Member's Internet Trading System.

3. The Exchange(s) have the authority to cancel a trade suo-moto without giving a reason therefor. In the event of such cancellation, the Member shall be entitled to cancel the relative contract(s) with the Client.

#### **BROKERAGE, COMMISSIONS AND FEES:**

1. The Client agrees to pay the Member brokerage, commission, fees, service tax and other taxes and transaction expenses as they exist from time to time.

2. A schedule of brokerage, fees and commission, applicable service and other taxes and other transaction expenses shall be provided by the Member to the Client from time to time upon request by the Client.

3. The Client agrees to pay brokerage charges, Exchange related charges statutory charges and any other charges (including but not limited to security handling charges on settlement) as they exist from time to time. The brokerage shall be paid in the manner intimated by the Member 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 that may be levied on the transaction.

**DELAYED PAYMENT CHARGES:**

Notwithstanding anything contained in these terms, any amounts which are overdue from the Client to the Member will be charged delayed payment charges at the rate of 2% per month or such other rates as may be applicable from time to time and the Client authorizes the Member to directly debit the same to the account of the Client.

**DELAYED REPORTING OF TRANSACTIONS:**

- (a) If trades or transactions which are reported late to the Member on account of any problems at the Exchange or, for whatever reason, the Client in turn will be subject to late reporting of transaction.
- (b) In addition, any error reported to the Client for any reason whatsoever will stand subsequently corrected to reflect the transaction that was affected in the Market.

**CONFIRMATIONS:**

Online confirmation will be available to the Client upon execution or cancellation of an order placed by the Client through the Member's Internet Based Trading System. 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.

**ELECTRONIC COMMUNICATION OF DOCUMENTS:**

1. The Member shall send to the Client by electronic means the contract note/trade confirmation of the trades executed, bill and account statement. The Client agrees that the Member fulfills its legal obligation to deliver to the Client any such document if sent via electronic delivery. All information contained therein shall be binding upon the Client. If the Client does not object either in writing or via electronic mail, within 24 hours after any such document is sent to the Client, the same shall be deemed to have been correct and the same would be binding on the Client. However, the Member reserves the right, in its absolute discretion, to determine the validity of the Client's objection to the transaction, even though such objection is received after the expiry of 24 hours. The Client agrees that the Member will not be responsible for non-receipt of documents sent via electronic delivery due to change in email address of the Client. The Client also agrees that the Member shall not take cognizance of out of office/ out-of-station auto replies and the Client is deemed to have received such electronic mails.

2. The Client is responsible for the **accuracy of information** supplied to the Member through the use of the Internet trading facility or through such other means like electronic mail or any written communication. The Member accepts no liability for consequences arising out of the **erroneous information** supplied by the Client. In case the Client suspects that an error in the information has been submitted by him, he shall on an immediate basis intimate the same to the Member.

3. The Member may at its discretion send any document that is obligatory to be sent to the Client by means of **electronic communication** with the possible exception of insertions of **graphics, insertions like photographs or logotypes**. This electronic communication may be in the form of email or an email attachment or in the form of a download available on the website. The Client shall download the said document promptly on intimation of the notice. Provided on the request made by the Client, the Member shall at its discretion deliver in physical form also in case of any difficulty experienced by the Clients.

**RISK ASSOCIATED WITH INTERNET TRADING:**

1. The Client acknowledges and accepts that the **price of securities** can and does fluctuate, and that any individual securities may experience downward movements, and may under some circumstances even

become valueless. Client therefore appreciate that there is an inherent risks that losses may be incurred rather than profit made, as a result of buying and selling securities.

2. The Client also acknowledges and accepts that there are risks in leaving securities in Member's safekeeping. For example if Member is holding Client securities and Member becomes **insolvent**, Client may experience significant delay in recovering the securities.

3. The Client acknowledges and accepts that the internet is an inherently unreliable **medium of communication** and provision of information services due to the public nature of the communication and that the accuracy, reliability and soundness of such means of communication and provision of services depends upon, amongst others, the service provides and the telephone, modem, cables systems, facilities and the like used and operated from time to time by such providers and other participants. Client acknowledges and further accepts that, as a result of such unreliability, there are risks associated in using such means of communication including the congestion, breakdown, interruption or failure of transmission of the internet service or any communication equipment or facilities, errors, omissions or delays in the transmission and receipt of orders and other data and information and in the execution and confirmation of orders and /or the execution of orders at prices which may be different from those indicated on the service or prevailing at the time the orders were given. There are also other risks involved such as in the unauthorized access, tampering, modification or alteration of the service and /or the system components and software used or comprised in the service which may result in the use, manipulation, retrieval or the theft or loss of data and information, including Client personal data.

4. The systems used by the Member for providing Internet Broking services are generally capable of assessing the **risk** of the Client as soon as the order comes in. However, due to any reason whatsoever, if the order is processed without sufficient risk cover from the Client, Client shall be bound by such trade and shall provide such amounts as may be required to meet his liability under the trade.

#### **INVESTMENT ADVICE:**

1. The Client acknowledges that the Member 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.

2. The Client also acknowledges that the Member'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 Member or any of its employees.

3. The Client agrees that in the event of the Member or any employee or official of the Member providing any information, recommendation or advice to the Client, the Client may act upon the same at the sole risk and cost of the Client, and the Member shall not be liable or responsible for the same.

4. The Client assumes full responsibility with respect to his investment decisions and transactions.

5. The Member, its officers, directors, partners, employees, agents and affiliates will have no liability with respect to any investment decisions or transactions of the Client.

#### **DEMAT ACCOUNT:**

1. The Client agrees to open, maintain and operate a valid Demat account with the Member.

2. The Client agrees that the member may require the Client, at any time during the subsistence of any agreement relating to the subject matter of the presents, to open one or more Demat accounts. The Client agrees that the debit/credit for all the transactions are to be effected in this/these accounts.

3. The Client shall provide a power of attorney to the Member authorizing to debit/credit/block, createlien / pledge Client's depository account through their authorized personnel, to the extent of the transaction conducted by the Client and any dues payable to the Member.

4. The Member may directly credit the Demat account of the Client for the purchase of the securities by the Client, within forty-eight hours of the receipt of the securities from the Exchange on the pay-out day. Provided that if the order placed by the Client is for securities, which are in no-delivery period, such securities shall be credited to the trading account of the Client only at the time of settlement of trades, as per the schedule of the Exchange.

5. The Member may directly debit the Demat account of the Client for the sale of the securities by the Client, within the stipulated time of pay-in schedule. Provided that if the order placed by the Client is for securities, which are in no-delivery period, such securities shall be debited from Demat account of the Client only at the time of settlement of trades, as per the schedule of the Exchange.

6. If any sum is due from the Client, the Member may withhold the credit of securities to the said Demat account of the Client with the Member.

#### **BANK ACCOUNT:**

1. The Client agrees to open, maintain and operate one or more accounts with a designated bank(s), which shall be used for the purpose of Internet Trading. The Client agrees to provide the details of such bank accounts.

2. The Client acknowledges and agrees to enter into an agreement with designated bank(s), if necessary.

3. The Client agrees that **debit / credit** of the transactions may be effected by the Member in the bank accounts which are used for the purpose of Internet Trading, opened with the designated bank(s).

4. The **Client** agrees that the Member shall have the right, at any time during the subsistence of the agreement, to give any **instructions** (i.e. transfer / hold / block / endorse / debit / credit etc) pursuant to transactions covered under the agreement to the banks as mentioned herein above. The **Client** agrees that he shall have no cause of action in respect of any instructions that may be given to the bank in respect of the accounts maintained with the designated bank(s) in pursuance of the presents.

5. The Client agrees that the Member may, without assigning any reason thereof and without issuing any notice of the same to the Client, **reveal information** available with the Member in the course of the arrangement with the Client, to the designated bank(s), pursuant to these presents and the Client shall have no remedy therefrom.

6. Any Margin due or shortfall in Margin or any other charges due from the Client, the Member is authorized by the Client to **block / transfer / hold / block / endorse / debit** the required amount in the designated bank account.

#### **CORPORATE BENEFITS SETTLEMENT CYCLES:**

The Client accepts responsibility for knowing the status of all corporate benefits like rights, bonus issues, dividends, stock splits etc. of securities in which the Client intends to trade in or held in Client's account. The Client accepts responsibility for knowing the correct ISIN numbers for the securities held in the account and the eligibility of the shares to meet share pay-in obligations to Exchanges whether received by way of purchases, rights, bonuses, stock splits, off market transfers or otherwise.

#### **REPRESENTATIONS AND WARRANTIES OF CLIENT:**

The Client represents and warrants to the Member that:

1. All the information provided and statements made in **Client Registration Form, the Main "AGREEMENT BETWEEN STOCK BROKER AND CLIENT" and Supplemental Member- Client agreement** 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 Member has agreed to provide the Member's Internet Based Trading Service to the Client on the basis, inter alia, of the information provided and statements made in the **Client Registration Form, the Main "AGREEMENT BETWEEN STOCK BROKER AND the supplemental Member-Client agreement for Internet Trading Services.**



2. The Client is aware and acknowledges that trading over the internet involves many uncertain factors and complex hardware, software, systems, communication lines, peripherals, etc. which are susceptible to interruptions and dislocations; and the Member's Internet Based Trading service may at any time be unavailable without notice. The Member and the Exchange do not make any representation or warranty that the Member's Internet Based Trading Services will be available to the Client at all times without any interruption. The Client agrees that he 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 Internet Based Trading System or Service or the Exchange's service or systems for any reason whatsoever.
3. The Client has the required legal capacity to, and is authorised to, enter into the Agreement and is capable of performing his obligations and undertakings hereunder.
4. The Client agrees to complete all the actions required to ensure compliance with all applicable laws, of all the transactions being entered by the Client in pursuant to the Agreement.
5. The Client shall abide by the Exchange Provisions and the terms of the Member's **Internet Based Trading** Website in force from time to time.
6. The Client agrees to be binding on the instructions given by an authorized representative of the Client to the Member (or to the Member's representative).
7. The Client warrants that the securities deposited by them with the Member in respect of margin trading requirements or otherwise are owned by them and that the title thereof is clear and free of encumbrances.
8. The Client is aware that authentication technologies and strict security measures are required for the Internet trading through order-routed system.
9. The Client shall at all times be bound by any modification and or variations made to the Agreement.
10. The Client shall take responsibility for all the transactions conducted by using the Internet based Trading Service and will abide by the record of transactions generated by the Member. Such records generated by the Member shall be conclusive proof and binding on the Client for all purposes and may be used as evidence in any proceedings.

**REPRESENTATIONS AND WARRANTIES OF THE MEMBER:**

The Member represents and warrants to the Client that: -

The Exchange has approved the Member's Internet Based Trading System. Where the Internet Based Trading system has not been approved by the Exchange, the Member has applied/ proposes to apply to the Exchange to approve the Internet Based Trading System and the Member will commence the Member's Internet Based Trading Service only after the Exchange has approved the Member's Internet Based Trading System.

**MARKET DATA AND USE OF WEB CONTENT:**

1. The Client understands that each participating Exchange or association or agency asserts a proprietary interest in all of the market data it furnishes, directly or through the Member or otherwise. The Client understands that the Exchange or Member does not guarantee and shall not be deemed to have guaranteed, the timeliness, sequence, accuracy or completeness of market data or any other market information, or any messages disseminated by it. Neither the Member nor the Exchange shall be liable in any way for incorrect, misleading, incomplete or outdated data or information and, if the Client acts on the basis of the same, he shall do so at his own risk and cost. The Client shall use the quotes received on the web site of the Member only for the Client's individual use and shall not furnish such data to any other person or entity. The Client is authorized to use materials which are made available by the Member's web site for the Client's own needs only, and the Client is not authorized to resell access to any such materials or to make copies of any such materials for sale or use to and by others. The Client shall not delete copyright or other intellectual property rights, notices from printouts of electronically accessed materials from the Member's web site.

2. 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.

**EXTRAORDINARY EVENTS:**

The Member and/or its agents will not be liable for losses caused directly or indirectly by Government restrictions, Exchange or market rulings, suspension of trading, computer, communication, telephone or system failure, war, earthquakes, flood, accident, power failure, equipment or software malfunction, strikes or any other conditions beyond the Member's control.

**AMENDMENT TO AGREEMENT:**

The Client understands and agrees that the Member may discontinue the Internet Based Trading Service in part or in its entirety and change the terms of the Service (including the terms on the Member's Internet Based Trading Website) at any time and from time to time, without prior notice.

**RESTRICTION ON ACCESS TO WEB SITE AND TRADING:**

The Member may at any time at its sole discretion and without prior notice to the Client prohibit or restrict the Client's access to the use of the web site.

**LIEN ON CLIENT'S ACCOUNT:**

All the securities and monies belonging to the Client in any depository or bank account or any other instruments which are in the possession of the Member, shall be subject to a lien for the discharge of any obligation or indebtedness of the Client to the Member. In enforcing the lien, the Member shall have the sole discretion of determining the securities or assets that are to be liquidated.

**SET OFF ACROSS THE EXCHANGE:**

In case where the Client maintains separate accounts with the Member to enable to transact on each of the Exchanges (and any other stock exchanges to which this facility may be extended by the Member to the Client), the Client agrees that the Member may set off credit balances of securities and/or funds in one or more of the accounts of the Client or any member of the Client's Group in relation to the said exchanges against the debit balances of securities and /or funds in one or more of the accounts of the Client in relation to the other exchanges.

**FREEZING OF THE ACCOUNTS:**

The Client shall be entitled to exercise the right to close/freeze/pledge the accounts with the depository participant and or the bank, as in no obligation pending to be met by the Client to the Member in the form of cash and /or security.

**TERMINATION OF AGREEMENT:**

The Client agrees that the Member may at any time terminate the Agreement. The Client is aware and accepts that in view of the nature of the transactions and dealings involved in providing the service, it may not be possible for the Member to give advance notice of such termination or suspension to the Client. The Client may at any time terminate the Agreement by not less than seven days notice to the Member, provided that unless the Member otherwise permits, the Client shall not be entitled to terminate the Agreement so long as any amount is payable or securities are deliverable by the Client to the Member. The termination of the Agreement shall not affect any rights or obligations of either party, which have accrued prior to the termination or which may arise out of or in connection with acts done or omitted prior to the termination.

**SEVERABILITY:**

In the event of any provisions of the Agreement being held to be or becoming invalid, unenforceable or illegal for any reason, the Agreement shall remain otherwise in full force apart from the said provision, which will be deemed deleted. The parties 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

**WAIVER:**

No forbearance, relaxation or inaction by any party at any time to require the performance of any provision of the Agreement shall in any way affect, diminish, or prejudice the right of such party to require the performance of that or any other provision of the Agreement or be considered to be a waiver of any right, unless specifically agreed in writing.

**LAW AND JURISDICTION:**

The Agreement shall be governed by and construed in all respects in accordance with the laws of the Republic of India and, subject to the provisions of "**Dispute Resolution**" mentioned herein below, the courts at Hyderabad, India shall have jurisdiction over the Agreement and the arbitration proceedings in relation to the Agreement.

The Agreement and all contracts and transactions between the Member and the Client pursuant hereto shall be subject to the Exchange Provisions, the Rules, Bye-Laws, Regulations, and other provisions of its clearing house, if any, the provisions of the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act of 1956 and the rules and regulations made there under and as amended from time to time.

**DISPUTE RESOLUTION:**

Any claim, dispute or difference arising between the Parties hereto in respect of the Agreement or any contracts, dealings or transactions pursuant hereto or any rights, obligations, terms or conditions as contained in the Agreement or the interpretation or construction of the Agreement shall be subject to the grievance redressal procedure of the Exchange and shall be subject to the arbitration procedure as prescribed by the Exchange Provisions.