



## COMPANY POLICY

**Goodwill Wealth Management Pvt Ltd.**

**SEBI Reg. No - INZ260006739**

**CAPITAL MARKET**

**Trading Member ID - MSEI - 11240 | NSE. - 90097 | BSE - 6648**

**CDSL DP ID - 12084200, IN - DP - CDSL - 309 – 2017**

**COMMODITY**

**Trading Member ID - MCX - 11095 | ICEX. - 2035**

Ver .2.1

01.06.2019

## **POLICIES & PROCEDURES - COMMODITY EXCHANGES Annexure - 5**

### **1. Refusal of orders for illiquid Commodity**

The Commodity broker may from time to time limit (quantity/value) / refuse orders in one or more commodities due to various reasons including market liquidity, value of commodity(ies), the order being for commodities which are not in the permitted list of the Commodity broker / exchanges(s) /SEBI. Provided further that Commodity broker may required compulsory settlement / advance payment of expected settlement value for settlement prior to acceptance / placement of order(s) as well.

The client agrees that the losses, if any on account of such refusal or due to delay caused by such limits, shall be borne exclusively by the client alone. The Commodity broker may require reconfirmation of orders, which are larger than that specified by the Commodity broker's risk management, and is also aware that the Commodity broker has the discretion to reject the execution of such orders based on its risk perception.

### **2. Setting up Client's exposure limits .**

The Commodity broker may from time to time impose and vary limits on the orders that the client can place through the Commodity brokers trading system (including exposure limits, turnover limits, limits as to the number, value in respect of which orders can be placed etc.). The client is aware and agrees that the Commodity broker may need to vary or reduce the limits or impose new limits urgently on the basis of the Commodity broker risk perception and other factors considered relevant by the Commodity broker including but not limited to limits on account of exchange / SEBI directions / limits (such as broker level/market level limits in commodity specific/volume specific exposures etc.) and the Commodity broker may be unable to inform the client of such variation, reduction or imposition in advance. The client agrees that the Commodity broker shall not be responsible for such variation, reduction or imposition or the client's inability to route any order through the Commodity broker's trading system on account of any such variation, reduction or imposition of limits.

The client further agrees that the Commodity broker may at orders or trade in Commodities through the Commodity broker, or it may subject any order placed by the client to a review before its entry into the trading systems and may refuse to execute / allow execution of limits set by Commodity broker/ exchange / SEBI and any other reasons which the Commodity broker may deem appropriate in the circumstances. The client agrees that the losses, if any, on account of such refusal or delay caused by such review, shall be borne exclusively by the client alone.

### **3. Conditions under which a client may not be allowed to take further position or the broker may close the existing position of a client.**

The Commodity broker have margin based RMS system. Client may take exposure upto the amount of margin available with us. Client may not be allowed to take position in case of non-availability/shortage of margin as per our RMS policy of the company. The existing position of the client is also liable to

square off/close out without giving notice due to shortage of margin/ non making of payment for their payin obligation/outstanding debts.

#### **4. Applicable brokerage rate**

Brokerage will be charged within the limits prescribed by SEBI/Exchange.

#### **5. Imposition of penalty / delayed payment charges**

Clients will be liable to pay late pay in/delayed payment charges for not making payment of their payin/margin obligation on time as per the exchange requirement/schedule at the rate of 2% per month. Similarly the commodity broker will also be liable to pay delayed payment charges to the client for not making payment of their obligation on time, as per the exchange requirement/schedule at the rate of 2% p.m., except in the cases covered by the "Running Account Authorisation" given by the client to the commodity broker which will be levied after 5 working days from the date of obligation.

The client agrees that the commodity broker may impose fines / penalties for any orders / trades / deals / actions of the client which are contrary to this agreement / rules / regulations / bye laws of the exchange or any other law for the time being in force, at such rates and in such form as it may deem fit. Further where the commodity broker has to pay any fine or bear any punishment from any authority in connection with / as a consequence of / in relation to any of the orders / trades / deals / actions of the client, the same shall be borne by the client.

#### **6. Shortages in obligations arising out of internal netting of trades**

Commodity broker shall not be obliged to deliver any commodities or pay any money to the client unless and until the same has been received by the Commodity broker from the exchange, the clearing corporation/clearing house or other company or entity liable to make the payment and the client has fulfilled his/her/its obligations first.

The Commodity broker shall have the right to adopt a policy of its choice for internal auctions arising out of internal netting of trades and charge to default seller and compensate the impacted purchaser as per the policy. The current procedure for internal auction may be amended from time to time with prospective effect.

#### **7. The right to sell client's commodities or close clients, positions, without giving notice to the client, on account of non-payment of client's dues.**

The Commodity broker maintains centralized banking handling processes and relating banking and depository accounts at designated place. The client shall ensure timely availability of funds in designated form and manner at designated time and in designated bank and depository account(s) at designated place, for meeting his/her/its pay in obligation of funds. The Commodity broker shall not be responsible for any claim/ loss/ damage arising out of non availability of funds by the client in the designated account(s) of the Commodity broker for meeting the pay in obligation of either funds. If the client give orders/trades in the anticipation of the required commodities being available subsequently for pay in

through anticipated pay out from the exchange or through borrowings or any off market delivery(s) or market delivery(s) and if such anticipated availability does not materialize in actual availability of funds for pay in for any reason whatsoever including but not limited to any delays/shortages at the exchange or Commodity broker level/ non release of margin by the Commodity broker etc., the losses which may occur to the client as a consequence of such shortages in any manner such as on account of auctions/square off/ closing outs etc. , shall be solely to the account of the client and the client agrees not to hold the Commodity broker responsible for the same in any form or manner whatsoever.

The Commodity broker has the right but not the obligation, to cancel all pending orders and to sell/close/liquidate all open positions commodities at the pre-defined square off time or when Mark to Market loss (M-T-M) reaches the speculated % or margin available with the broker is not sufficient to cover the risk or the client have not taken any steps either to replenish the margin or reduce the Mark to Market loss.

The Commodity broker will have the sole discretion to decide referred stipulated margin percentage depending upon the market condition. In the event of such square off, the client agrees to bear all the losses based on actual executed prices. In case open position (ie. short /long) gets converted into delivery due to non square off because of any reason whatsoever, the client agrees to provide funds to fulfill the payin obligation failing which the client will have to face auctions or internal close outs, in addition to this, the client will have to pay penalties and charges levied by the exchange in actual and losses. If any without prejudice to the foregoing, the client shall also be solely liable for all any penalties and charges levied by the exchange(s).

#### **8. Temporarily suspending (dormant accounts) or closing a client's account at the client's request**

If an account is inactive for 12 months and more, the accounts are designed as dormant accounts. Also the request of the client in writing, the client account can be suspended temporarily and same can be activated on the written request of the client only. During the period client account is suspended, the market transaction in the client account will be prohibited. However client shares/ledger balance settlement can take place. On the request of the client in writing, the client account can be closed provided the client account is settled. If the client wants to reopen the account in that case client has to again complete the KYC requirement. Same procedure is followed for reactivation of dormant accounts.

#### **9. Deregistering a client**

Notwithstanding anything to the contrary stated in the agreement, the commodity broker shall be entitled to terminate the agreement with immediate effect in any of the following circumstances:

(i) If the action of the client are prima facie illegal / improper or such as to manipulate the price of any commodities or disturb the normal/proper functioning of commodities or disturb the normal/proper functioning of the market, either alone or in conjunction with others.

(ii) If there is any commencement of a legal process against the client under any law in force;

(iii) On the death/lunacy or other disability of the Client;

- (iv) If the client being a partnership firm, has any steps taken by the Client and/or its partners for dissolution of the partnership;
- (v) If the Client suffers any adverse material change in his/her/its financial position or defaults in any other agreement with the commodity broker;
- (vi) If there is reasonable apprehension that the Client is unable to pay its debts or the Client has admitted its inability to pay its debts, as they become payable;
- (vii) If the Client is in breach of any term, condition or covenant of this Agreement;
- (viii) If the Client has made any material misrepresentation of facts, including (without limitation) in relation to the commodity;
- (ix) If a receiver, administrator or liquidator has been appointed or allowed to be appointed of all or any part of the undertaking of the Client;
- (x) If the Client have taken or suffered to be taken any action for its reorganization, liquidation or dissolution;
- (xi) If the Client has voluntarily or compulsorily become the subject of proceedings under any bankruptcy or insolvency law or being a company, goes into liquidation or has a receiver appointed in respect of its assets or refers itself to the Board for Industrial and Financial Reconstruction or under any other law providing protection as a relief undertaking;
- (xii) If any covenant or warranty of the Client is incorrect or untrue in any material respect;

**10. Inactive Client account:**

Client account will be considered as inactive if the client does not trade for period of six months. Calculation will be done at the beginning of every month and those clients who have not traded even a single time will be considered as inactive, the commodities/ credit ledger balance if any will be transferred to the client within one week of the identifying the client as inactive. The client has to make written request for reactivation of their account.

11. Trading in Exchange is in Electronic Mode, based on VSAT, leased line, ISDN, Modem and VPN, combination of technologies and computer systems to place and route orders. Client understand that there exists a possibility of communication failure or system problems or slow or delayed response from system or trading halt or any break down in broker back office/ front end system, or any such other problems/glitch whereby not being able to establish access to the trading system/network, which may be beyond broker control and may result in delay in processing or not processing buy or sell Orders either in part or in full. Client shall be fully liable and responsible for any such problem/fault.

## **12. Client Acceptance of Policies and Procedures stated herein above:**

Client have fully understood the same and agree not to call into question the validity, enforce ability and applicability of any provision/clauses this document any circumstances what so ever. These Policies and Procedures may be amended / changed unilaterally by the commodity broker, provided the change is informed to client with through any one or more means or methods.

Client agree never to challenge the same on any grounds including delayed receipt / non receipt or any other reasons whatsoever. These Policies and Procedures shall always be read and shall be compulsorily referred to while deciding any dispute / difference or claim between client and commodity broker before any court of law / judicial / adjudicating authority including arbitrator / mediator etc.

### **POLICIES & PROCEDURES - STOCK EXCHANGES**

#### **Penny Stocks**

Clients may note that all the stocks and securities listed on the Stock Exchange are not actively traded. In other words, there are no readily available sellers or buyers in some securities and/or there are not sufficient trades or volumes from which the market price may be arrived at with some reliability. Such stocks are called 'illiquid securities' or 'Penny stocks'. They are comparatively more vulnerable to market manipulation and / price rigging. The spread, i.e., the difference between the offer price and bid price is usually wide and their purchase or sale at a given time may be difficult and in any case uncertain. Exchanges bring out monthly list of such securities based on the volume during the last calendar month.

We do not encourage trading in penny stocks. We may impose higher margin percentage and/or fix small exposure limits in respect of Penny Stocks and not permit the client to concentrate in such stocks. We may impose further restrictions as to Penny Stocks through the RMS policy. Client's instructions for trading in illiquid securities may be rejected without assigning any reason.

#### **Setting up Client's Exposure Limit**

We may impose and vary limits (including exposure limits, turnover limits, margin limits, securities wise limits in respect of which orders can be placed etc.) on the orders that the client can place through us. We may vary or reduce the limits or impose new limits on the basis of the risk perception and other factors considered relevant by us and not limited to the limits as per the Exchange / SEBI directions. We may subject any order placed by the client to review before its entry into the trading system and may refuse to execute/allow execution of any order due to but not limited to the reason of lack of Margin/securities or the order exceeding limits set by our surveillance/Exchange/SEBI and any other reason which may be deemed appropriate in the circumstances. The losses, if any, on account of such refusal or due to delay caused by such refusal or due to delay caused by such review shall be borne exclusively by the client.

We have margin based RMS System in which, total deposit (excluding over-concentration value of the securities) of the client is uploaded in the trading system and the client may take exposure on the basis of applicable margin for the intended security as per the VAR based margining system of the Stock

Exchange and margin defined by the company on their scrip wise Risk perception. Client may take the benefit of "credit for sale" i.e., benefit of shares held in margin by selling the same by selecting delivery option through order entry window in the trading system, whereby the value of the shares sold will be added with the value of deposit and on the basis of aggregate, client may take exposure. In case of exposure taken on the basis of shares margin, the payment is required to be made before the pay-in date otherwise it will be liable to square off any time due to shortage of margin. Further, in the derivative segments, if some special margin is imposed by exchange, the same must be met on the same day before closing of trading otherwise position of the client will be liable to square off due to shortage of margin.

In the sole discretion of the Company, a client may be allowed to trade beyond exposure limit or the limit may be increased. A client having availed such indulgence shall not be heard to complain about his trades only on this account and shall meet the margin shortfall at the earliest without waiting for reminder. The golden rule is Limit your exposure so as to limit your risk to your means.

### **Brokerage Rate**

We do not charge any brokerage in excess of the rate(s) provided by the SEBI / Exchange. The agreed rates of brokerage are part of this book-let and the clients are advised to fully satisfy themselves about the same before signing. The brokerage is charges on both Buy & Sell, except otherwise indicated in the schedule of brokerage. Brokerage rates may be changed from time to time but shall not be increased without prior 30 (thirty) days' notice. Only Head Office and concerned Zonal Head is competent to reduce the rates of brokerage and no employee or officer at Branches is authorized to do so. Any reduction in rate should not be taken as effective unless reflected in the contract notes.

### **Delay Payment Charges and Penalties**

Clients are required and expected to meet their fund obligations immediately, when due, as per SEBI / Exchange requirements and not make us use our funds to meet their fund obligation. For the clients who do not pay on time your broker has to pay or the client has to suffer penalties by the Exchange. So as to be compensated in such an eventuality, we may levy Delay Payment Charges on the amounts, not exceeding the debit balance in the ledger, for the period of delay at a rate upto 24% per annum calculated on daily basis for the period of delay.

We do not pay interest on the clients' funds received towards margin. In exceptional cases, considering the amount of margin, its utilization and the client's past history, we may agree to deduct out of Delay Payment Charges, interest on any part of the unutilized margin at such rate as determined from time to time but not exceeding the rate of Delay Payment Charges.

We may impose reasonable penalties for bouncing of cheques, bad deliveries, non-delivery, auction on failure of payment, nonpayment of margin money, excess margin or any trades, actions or omissions contrary to the Rules, Regulations and Byelaws of the SEBI or Exchange, to discourage such violations and recover the same from the Client's Account directly.

Where the Company has to pay or suffer any penalty from any authority as a consequence of / in relation to / in connection with any orders/ instructions/ trades/ deals or actions of a client, the same shall be borne by the client.

**Right of Sale of client's securities or closing the client's open position without giving notice**

We do not believe in selling clients' securities or closing out their positions without sufficient notice to them. On the other hand, we expect our esteemed clients to be regular and punctual in meeting their fund obligations. The requirement of margin and the value of any security given/treated as Margin varies and multiplies with market volatility.

Higher is the margin deficit, shorter would be the time to make it up. However, in case the available margin falls below the given percentage, informed in advance, we reserve the right to sell a client's securities or to close out his all or some open positions without notice to prevent escalation of risk. The client may, however, have no grievance if GOODWILL does not take such action and waits for the client's margin/response.

**We would have the discretion to square off the position of Client/s in following circumstances:**

(a) In case of Margin Trades, if the open position is neither squared off nor converted to Delivery by Client/s within the stipulated time or where Mark to Market Loss on the open position has reached the stipulated percentage of the margins placed with us.

(b) In all other cases where the margin or security placed by the Client falls short of the requirement or where the limits given to the Client have been breached or where the Client has defaulted on his existing obligation within the stipulated time.

All the losses based on actual executed prices, brokerage, charges and penalties levied by the Exchange relating to the Square off shall be borne by the client.

**Shortages in obligations (arising out of internal netting of trades or otherwise)**

Where a client fails to meet his securities pay-in obligations as due for any settlement and auction is not made by the Exchange because of reasons like internal netting of trades, then either auction takes place in the exchange or if the delivery is client to client, then the client's account is debited for such short delivery at "valuation price or the average of auction rate", whichever is higher. The buyer client shall be credited with the same amount as debited to seller client. In case, no auction price is available in a particular instance, the above mentioned debit/credit shall take place at closing price on the auction day plus 10% and trading day to auction day high price, whichever is higher. If the buyer-client requires delivery of the said shares, he is advised to buy the same next day from the market on his own.

Where a client buys securities in one settlement, and sells the same in a subsequent settlement, without having received the payout of the securities, any resulting auction / losses will be the sole responsibility of the client.



### **Conditions under which a client may not be allowed to take further position or his existing position may be closed**

Subject to a client's KYC verification and his meeting initial margin and other margin requirements, a client may take positions. However, he may not be allowed to take further position and/or the open positions may be squared off by us under any of the following circumstances:

- a. SEBI or Exchange imposing restrictions on further exposures in cases of extreme volatility in the market or in a security or group of securities or the client's margin falling short due to volatility or otherwise.
- b. client or the Broker exceeding or touching exposure limits set by the Exchange in the particular scrip.
- c. reasonable doubt as to bonafide of the transaction or identity of the client in the light of the financial status and objectives as disclosed in the KYC form.
- d. reasonable doubt as to the transaction being cross trade, circular trade, fraudulent practice or connected with price manipulation or market rigging.
- e. SEBI or other competent authority issuing a debarment order against the client from buying, selling or dealing in securities, unless the order is vacated.

### **Temporary Suspension or Closing of Account at Client's Request**

The client may, at times, like to suspend his account for some time due to reasons like – illness, holidaying or pilgrimage. GOODWILL account manager may note the instruction to suspend the transactions in an account on receipt of a written request by the client. However, the client will be responsible for all his positions till that time and shall make arrangements for due discharge of his obligations in respect of such transactions.

A suspended account may be made active by another instruction in writing by the client.

The client, subject to his meeting all obligations regarding pending positions, may seek closure of his account by a letter in writing duly signed by him. Such request shall be effective from the time it has been noted in GOODWILL's computer system and the client shall be liable to meet all his obligations.

The request for suspension, re-activation or closure of account should be made by the client and not by his Power of Attorney Holder (POA). The Company may also withhold any payouts of client or suspend his trading account due to any surveillance action or judicial/regulatory direction or in the circumstances it would be reasonable to do so.

### **De-registering a Client**

GOODWILL may de-register a client in any of the following events:

- a. Death of a client who is a natural person;

- b. Liquidation or winding up of a client who is a corporate;
- c. Insolvency or bankruptcy of the client;
- d. The client being debarred from dealing in securities by an order of SEBI, other Regulatory Authority or Court;
- e. The client is convicted of fraud or other offence in relation to securities and the said conviction is not stayed by that authority or court or superior thereto.
- f. The account being inactive has not been got reactivated within two years of inactivation.
- g. The client, to the reasonable belief of GOODWILL, has defaulted in payment of its debts to any other financial institution or intermediary, or admitted its inability or is unable to pay its debts as they become payable.

De-registering of a client will not absolve him from his obligations for transactions at the time of de-registration.

#### **Policy for Inactive Accounts**

Inactive accounts are more vulnerable to fraud or manipulation and the clients are advised to be careful not to allow their accounts to be inactive. An inactive account is one in which there is no operation during the last twelve calendar months. Such accounts may be marked as "inactive" in the Back Office without any request by the client. Transaction in an "inactive account" will be permitted after strict diligence.

#### **Payment Gateway**

The Payment Gateway facility, when provided, shall depend upon the working of the Payment Gateway owned/controlled by the concerned bank/service provider. The Member shall not be responsible for any delay, defect or discontinuity of service of any Payment Gateway.

#### **Orders & Limits**

The Clients' instructions are usually recorded by the Member. Such record shall be admissible as evidence and binding. However, any transaction or instruction shall be not be nonbinding merely because no recording is made / maintained / kept /provided.

The Member may subject any order placed by Client to manual review and entry, which may cause delays in processing of the order or may result in rejection of such order.

The Member may reject any order for reasons including, but not limited to, non-availability of funds in the Client's trading account, nonavailability of securities in the Client's Demat Account, insufficiency of margin, suspension of trades by the concerned Exchange or application of circuit breaker.

The Member may, in its wisdom, permit execution of orders inspite of insufficiency of margin or in excess of trading limits. The trades, when executed, shall bind the Client and the Client shall provide such sums as may be required, to meet his liability under such trade.

### **Clients' Online Access To Reports**

The online clients are provided User ID and Internet Access to see their accounts online. Off-line clients may be given Back Office Access Code to see their accounts and upto-date positions. All offline clients are also provided User ID and password through which they can any time access various back office reports, account information and other useful information. The clients are advised to make full use of the facility and report, discrepancy, if any, in their account at the earliest.

### **Auto Square Off**

The Member has a policy of auto square-off (without separate authority from Client) the Clients' positions in the following circumstances:

(a) In case of Margin Trades, if the open buy position is neither squared off nor converted to Delivery by Client/s within the stipulated time.

(b) In case of Margin Trades, if the open sell position is neither squared off nor converted to Delivery by Client/s within the stipulated time.

(c) In case of Margin Trades, where Mark to Market Loss on the open position has reached the stipulated % of the margins placed with us.

(d) In all other cases where the margin or security placed by the Client/s falls short of the requirement or where the limits given to the Client/s have been breached or where the Client/s have defaulted on their existing obligation

The actual execution of square off can happen at a price different from the trade bound, due to execution time lag and any loss based on actual execution price shall be borne by the Client. In case the Auto Square off does not take place due to certain reasons like price band, etc. then the Member may convert the open positions to Delivery. If the conversion also fails due to non-availability/ shortage of Demat shares, then for the open sale position, the Client/s will have to face auction or close out as per the rules of the concerned Exchange. Consequently, client/s will be responsible for any resulting losses and all associated costs including penalty levied by the Exchange. If the conversion also fails due to insufficient funds/no funds, then for the open buy position, the shares will not be delivered to the client/s and the Member will liquidate the shares anytime and the Client/s will be liable for any resulting losses and all associated costs incurred by the member.

### **Cancellation or Modification of orders**

Cancellation or modification of an order pursuant to the client's request in that behalf is not guaranteed. The order will be cancelled or modified only if the clients request for cancellation and modification is

received and the order is successfully cancelled or modified before it is executed. Market orders are subject to immediate execution wherever possible. The client should not presume an order having been executed, cancelled or modified until a confirmation from the Member 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 a delay should not entitle the client to presume that the order has not been executed, cancelled or modified unless and until the Member has so confirmed in writing.

## **Margins**

The Member determines the market value of securities placed / deemed as margin after applying an appropriate hair-cut which may, in accordance with its risk perception, be higher than that prescribed by the Exchange. Further, the Member fixes from time to time concentration limits on value of individual scrips accepted for margin. Clients should monitor the market value of such securities on a continuous basis and to replenish any shortfall in the value of the margin consequent to a fall in the market value of such securities whether or not the member intimates such shortfall.

The Member shall communicate / advise the method of calculation of margin or the security requirement as rate (s) or perception (s) of dealing and the Client should self monitor their dealings, margin deposits and margin requirements and provide, the required / deficit margin/security as required from time to time, forthwith whether or not any margin call or separate communication to that effect is sent by the Member and/or received by a client. The clients should ascertain the adequacy of margin / security in acceptable form and manner beforehand prior to making any trade / order / deal, to ensure that the margin / security is adequate at all times during an open position and to make up forthwith in acceptable form and manner any deficiency or shortfall therein. If a client's order is executed and/or maintained despite shortfall in margin / security the client shall be responsible for all orders including orders executed without sufficient /non-available margin / security required by the Member / Exchange / SEBI and shall make up the shortfall suo motu at the earliest.

The Member is entitled to consider any sum or money or security lying to the credit of the client as margin received.

### **Policy for Value at Risk (VaR) Margin**

- If the GOODWILL VaR margin as per company policy is less than 60%, position may be squared off without prior intimation to the client.
- If the debit amount is more than 25 lacs, if payment is not cleared up to T+2 then, position may be squared off without prior intimation to the client
- If the debit amount is less than 25 lacs and the payment is not cleared within 5 days then position may be squared off without prior intimation to the client.

## **Maintenance Of Trading Account**

**Money pay-in to Member:** The client shall ensure that all payments due to the Member will be made within the specified time and in the event of any delay, the Member may refuse, at their discretion, to carry out transactions or closeout the position and the costs/losses if any, thereof shall be borne solely and completely by the client. All payments made to the Member shall be from the Bank account of the client and shall not to be from any third party.

**Securities pay in to Member:** All delivery to be effected to the Member for a trade, must be made minimum one day before the pay-in date. Losses, if any, that may accrue in the event of default in completing the delivery on the exchange by the Member as a result of any delay in the delivery by the client, shall be borne solely and completely by the client. Losses for the purposes of this clause shall include auction debits/penalty charges, if any incurred as a result of non delivery of securities on the settlement date on the exchange. No third party shares will be sold through the Member nor third party payment should be made to Member and client will be solely responsible for any violation. If the client anticipates availability of securities for pay in through pay out of earlier settlements or borrowings or otherwise, which does not materialise prior to the time fixed for the same for any reason whatsoever, all losses to the client for such shortage (including auction, square off or closing out) shall be solely to the client's account and the client shall not hold the Member responsible in any manner or form.

**Securities shortages in pay-in and pay-out:** The Client shall be bound by the guidelines, including the rules pertaining to the adjustment of shortages in the client's position in securities transacted on behalf of the client, by the Member, In case of internal shortage of securities, any entry passed to the account of client in accordance with practice consistently followed by the Member across all its clients shall be binding on the client. Further in case of shortage of securities, the Member may borrow shares on behalf of the client and debit the charges for the same to the client's account mentioned with the Member.

## **Corporate Benefits On Securities Held On Behalf Of Client**

Member will pass to the clients whatever corporate benefits are received from the companies directly like dividends and bonus shares, for other corporate benefits/actions like Rights issues/Open offers etc. where shareholders are required to apply to the company, it is the Client's responsibility to track announcements of such corporate benefits and then apply to the member/company if Client so desires. Member shall not be liable for any real/notional loss suffered by the Client, if a client fails to apply for such corporate benefits in time for the shares held by the Member on behalf of the Client.

## **Lien/Set-off**

All funds of the client in the bank account with designated bank shall be subject to lien for the discharge of any or all payments to the Member from the client. All securities in the demat account opened in terms of the agreement with the depository participant, shall be subject to lien for the discharge of any or all payments due to the Member or to the depository participant from the client and may be held by the Member as a security against default by the client in respect of the services already availed of by the

client. The Member has authority to block securities against pending order or pledge securities in favour of the Member against any of his dues. The Member shall have the right of set-off amongst all trading account maintained by the client with the Member.

### **Indemnity**

The Member should be indemnified by the client in case of any action initiated against the Member by any party not privy to this contract, and it shall be the duty of the client to bear out of their funds, all costs, losses and expenses which any such Member may incur or become liable to pay, by reason of any event in the course of the use of the said services of the client.

### **Notices To The Member**

All communications by, from or on behalf of client to the Member should be addressed to its Customer Care Department at the following destinations and may be sent by hand delivery, post, courier or electronic mail.

### **GOODWILL WEALTH MANAGEMENT PVT LTD.**

No. 73, 1st Floor, Tarana Complex, Sardar Patel Road, Guindy, Chennai - 600032, Tamil Nadu

E-mail : [admin@gwcindia.in](mailto:admin@gwcindia.in)