

**DBFS SECURITIES LIMITED**

**Regd. Off:** Old No. 2A, New No. 5, West Road, CIT Nagar (W), Chennai - 600 035.  
**Corporate Off:** Smart Centre, M.K.K. Nair Road, Vazhakkala, Kochi-682 021, Kerala, India.  
 Phone: +91 484 3060000, Fax : 0484 3060268 E-mail: ho@dbfsindia.com Website: www.dbfsindia.com

Member: National Stock Exchange of India Limited  
 SEBI Regn. No. INB231323230, INF231323230  
 www.dbfsindia.com

Details of clearing member (FAO Segment), Infrastructure Leasing & Financial Services Ltd.  
 Regd.Off:Plot C 22,G Block,Bandra Kurla Complex, Bandra East, Mumbai -400 051 Ph:02226533333  
 SEBI Reg.No. INF231133630

Client Code		For Office use only	
Cash <input type="text"/>	Derivative <input type="text"/>	Approved by: _____	Date:.....

Note : If any information required to be given does not fit in the form, an Annexure may be used.

**CLIENT REGISTRATION FORM (INDIVIDUALS)**

(This information is the sole property of the trading member / brokerage house and would not be disclosed to anyone unless required by law or except with the express permission of clients)

**Client Information**

**X1**



(Please enter all information in CAPITAL LETTERS)

1. Name of the client :     
 (Surname) (Name) (Middle Name)

2. Unique Identification Number (where obtained)  3. Sex : Male  Female

4. Date of Birth:  5. Marital Status :   
 (D D/ M M/ Y Y Y Y)

6. Educational Qualification :

7. Residential Status : RI  NRI  Others  8. Name of the spouse:

9. Residence Address :

City :  Pin Code :  State:

Country:  Nationality :  Telephone Number: (Res)

E-mail : (to which contract note to be sent)

**10. Bank and Depository Account Details**

#	Bank Name(through which transactions will generally be routed.)	Branch & Address	Tel. No.	Acc type	Acc. No.
1				Savings <input type="checkbox"/> NRI <input type="checkbox"/> Current <input type="checkbox"/> Others <input type="checkbox"/>	
2				Savings <input type="checkbox"/> NRI <input type="checkbox"/> Current <input type="checkbox"/> Others <input type="checkbox"/>	
3				Savings <input type="checkbox"/> NRI <input type="checkbox"/> Current <input type="checkbox"/> Others <input type="checkbox"/>	
4				Savings <input type="checkbox"/> NRI <input type="checkbox"/> Current <input type="checkbox"/> Others <input type="checkbox"/>	

*(Copy of a canceled Cheque leaf/pass book/bank statement containing name of the constituent should be submitted.)*

Depository Participant Name

Address

Telephone

BO Account Number

11. Occupation Details  
 Occupation :  Employed  Self Employed  Business  Professional  House Wife  Others   
 (Tick whichever is applicable)

12. If Employed, Name of Employer

Office Address

City  Pin Code  State

Country  Telephone Number (Office)  Fax No/Telex No

13. If Self Employed / Business / Professional/Others

Office Address

City  Pin Code  State

Country  Telephone Number (Office)  Fax No/Telex No

14. Financial details of the constituent:  
 Income Range (Per Annum) (Tick where applicable)

Below Rs. 1,00,000  Rs. 1,00,000 To Rs. 5,00,000  Rs. 5,00,000 To Rs. 10,00,000  
 Rs. 10,00,000 To Rs. 25,00,000  Above Rs.25,00,000

**15. Investment / Trading Experience**

No Prior Experience  Years in Stocks  Years in Derivatives  Years in other investment related fields

**15.1. Present Holding**

Below Rs. 10,000  Between Rs. 10,000 & Rs. 50,000  Between Rs. 50,000 & 1,00,000  
 Between Rs. 1,00,000 & 5,00,000  Above Rs. 5,00,000

**16. Trading Preference**

A. Stock Exchanges on which you wish to trade (if the member is registered for such Exchanges):  
 (Please tick in the relevant boxes)

1. National Stock Exchange of India Ltd.   
 2.

B. Market segments you wish to trade (if the member is registered for such segment):  
 (Please tick in the relevant boxes)

Capital Market /Cash Segment  Derivatives Market  Debt Market

**17. Whether registered with any other broker-member: (if registered with multiple members, provide details of all)**

Name of Broker :  
 Name of Exchange :  
 Client code no. :

**18. Details of any action taken by SEBI/Stock exchange/any other authority for violation of securities laws/other economic offences.**

**19. References**

Introduction: Introduced by another constituent / director or employee of trading member / any other person (please specify)

Name of the Introducer : \_\_\_\_\_  
 (Surname) (Name) (Middle name)

Signature : \_\_\_\_\_

MAPIN UID No. of introducer, if any :

Name and designation of the employee who interviewed the client: \_\_\_\_\_  
 (Name and Designation)

Signature of the employee: \_\_\_\_\_

**20. Declaration**

I hereby declare that the details furnished above are true and correct to the best of my knowledge and belief and I undertake to inform you of any changes therein immediately. In case any of the above information is found to be false or untrue or misleading or misrepresenting I am aware that I may be held liable for it.

Place: \_\_\_\_\_

Date: \_\_\_\_\_

**X2** \_\_\_\_\_  
 (Signature of the CLIENT)

**FOR OFFICE USE ONLY**  
 (to be filled by the concerned Branch In-charge)

**DOCUMENTARY REQUIREMENTS**

Copies of the following documents may be obtained after due verification with the originals thereof

**Proof of Identity and PAN Details**

Pan Card

**For Proof of Address (any one of the following):**

Passport  Voter ID  Driving license   
 Bank Passbook  Rent Agreement  Ration Card   
 Flat Maintenance Bill  Telephone Bill  Electricity Bill  Insurance Policy

Particulars of ID/Address proof	Number	Place of Issue	Date

**BROKERAGE SLAB**

<input type="checkbox"/> Fixed Slab				<input type="checkbox"/> Volume Slab	
Slab No.	%	Min.Ps./Contract Min.	Slab No.	Slab No.	Slab No.
Jobbing (CM)			Jobbing (CM)		
Delivery (CM)			Delivery (CM)		
Derivatives (Future)			Derivatives (Future)		
Derivatives (Option)			Derivatives (Option)		

**IN-PERSON VERIFICATION BY BRANCH IN-CHARGE**

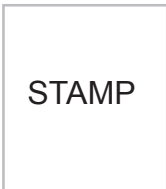
<b>Signature</b>	
<b>Name</b>	
<b>Date</b>	

Authorised By : \_\_\_\_\_

Agreement between Stock Broker and Client

X3 This agreement is made and executed at Cochin this ..... day of ....., 20..... between:

M/s. DBFS Securities Limited, a body corporate, registered/ incorporated under the provisions of the Companies Act, 1956, being a member of the National Stock Exchange of India Ltd. (hereinafter called "the Exchange"), and having its registered office at Old No. 2A, New No. 5, West Road, CIT Nagar (W), Chennai - 600 035, (hereinafter called "the stock broker") which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include itself in the capacity of a trading member while trading in the derivatives segment, its heirs, executors, administrators, legal representatives and successors of the One Part;



And

Mr./Ms/M/s....., an individual/ a sole proprietary concern/a partnership firm/ a body corporate, registered/incorporated, under the provisions of the Indian Partnership Act, 1932/the Companies Act, 1956, having his/her/its residence/ registered office at ..... (hereinafter called "the client") which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include his/her heirs, executors, administrators and legal representatives/the partners for the time being of the said firm, the survivor or survivors of them and their respective heirs, executors, administrators and legal representatives/its successors, as the case may be, of the Other Part;

X4 Whereas the stock broker is registered as the stock broker of the Exchange with SEBI Registration Number INB231323230 in the Capital Market Segment and SEBI registration number INF231323230 in the Futures and Options Segment. Whereas the client is desirous of investing/trading in those securities/ contracts/other instruments admitted to dealings on the Exchange as defined in the Rules, Byelaws and Regulations of the Exchange and circulars issued thereunder from time to time.

Whereas the client has satisfied itself of the capacity of the stock broker to deal in securities and/or deal in derivatives contracts and wishes to execute its orders through the stock broker and the client shall from time to time continue to satisfy itself of such capability of the stock broker before executing orders through the stock broker.

Whereas the stock broker has satisfied and shall continuously satisfy itself about the genuineness and financial soundness of the client and investment objectives relevant to the services to be provided; and

Whereas the stock broker has taken steps and shall take steps to make the client aware of the precise nature of the Stock broker's liability for business to be conducted, including any limitations, the liability and the capacity in which the stock broker acts.

WHEREAS the stock broker and the client agree to be bound by all the Rules, Byelaws and Regulations of the Exchange and circulars issued thereunder and Rules and Regulations of SEBI and relevant notifications of Government authorities as may be in force from time to time.

Now, therefore, in consideration of the mutual understanding as set forth in this agreement, the parties thereto have agreed to the following terms and conditions:

- 1. The client agrees to immediately notify the stock broker in writing if there is any change in the information in the 'client registration form' provided by the client to the stock broker at the time of opening of the account or at any time thereafter.
2. The stock broker declares that it has brought the contents of the risk disclosure document to the notice of client and made him aware of the significance of the said document. The client agrees that:
a. He has read and understood the risks involved in trading on a stock exchange.
b. He shall be wholly responsible for all his investment decisions and trades.
c. The failure of the client to understand the risk involved shall not render a contract as void or voidable and the client shall be and shall continue to be responsible for all the risks and consequences for entering into trades in the segments in which the client choose to trade.
d. He is liable to pay applicable initial margins, withholding margins, special margins or such other margins as are considered necessary by the stock broker or the Exchange or as may be directed by SEBI from time to time as applicable to the segment(s) in which the client trades.
e. Payment of margins by the client does not necessarily imply complete satisfaction of all dues.
3. The Client agrees to pay to the stock broker brokerage and statutory levies as are prevailing from time to time and as they apply to the Client's account, transactions and to the services that stock broker renders to the Client.
4. The client agrees to abide by the exposure limits, if any, set by the stock broker or by the Exchange or Clearing Corporation or SEBI from time to time.
5. Without prejudice to the stock broker's other rights (including the right to refer a matter to arbitration), the stock broker shall be entitled to liquidate/close out all or any of the client's positions for non-payment of margins or other amounts, outstanding debts, etc. and adjust the proceeds of such liquidation / close out, if any, against the client's liabilities/ obligations.
6. The stock broker agrees that the money/securities deposited by the client shall be kept in a separate account, distinct from his/its own account or account of any other client and shall not be used by the stock broker for himself/itself or for any other client or for any purpose other than the purposes mentioned in SEBI Rules and Regulations circulars/ guidelines/Exchanges Rules/Regulations/Bye-laws and circulars.
7. The client agrees to immediately furnish information to the stock broker in writing, if any winding up petition or insolvency petition has been filed or any winding up or insolvency order or decree or award is passed against him or if any litigation which may have material bearing on his capacity has been filed against him.
8. The stock broker agrees to inform the client and keep him apprised about trading/settlement cycles, delivery/payment schedules, any changes therein from time to time, and it shall be the responsibility in turn of the client to comply with such schedules/procedures of the relevant stock exchange.
9. In the event of death or insolvency of the client or his/its otherwise becoming incapable of receiving and paying for or delivering or transferring securities which the client has ordered to be bought or sold, stock broker may close out the transaction of the client and claim losses, if any, against the estate of the client.
10. The stock broker agrees that it shall co-operate in redressing grievances of the client in respect of transactions routed through it and in removing objections for bad delivery of shares, rectification of bad delivery, etc.
11. The stock broker shall continue to be responsible for replacing bad deliveries of the client in accordance with applicable "Good & bad delivery norms" even after termination of the agreement and shall be entitled to recover any loss incurred by him in such connection from the client.
12. The stock broker shall ensure due protection to the client regarding client's rights to dividends, rights or bonus shares, etc. in respect of transactions routed through it and it shall not do anything which is likely to harm the interest of the client with whom and for whom it may have had transactions in securities.
13. The client and the stock broker agree to refer any claims and/or disputes to arbitration as per the Rules, Byelaws and Regulations of the Exchange and circulars issued thereunder as may be in force from time to time.
14. The stock broker hereby agrees that he shall ensure faster settlement of any arbitration proceedings arising out of the transactions entered into between him and the client and that he shall be liable to implement the arbitration awards made in such proceedings.
15. Information about default in payment/delivery and related aspects by a client shall be brought to the notice of the relevant stock Exchange(s). In case where defaulting client is a corporate entity/partnership/proprietary firm or any other artificial legal entity, then the name(s) of director(s)/ promoter(s)/ Partner(s)/proprietor as the case may be, shall also be communicated to the relevant stock exchange(s).
16. The stock broker and the client agree to reconcile their accounts at the end of each quarter with reference to all the settlements where payouts have been declared during the quarter.
17. The stock broker and the client agree to abide by any award passed by the Ombudsman under the SEBI (Ombudsman) Regulations, 2003.
18. The stock broker and the client declare and agree that the transactions executed on the Exchange are subject to Rules, Byelaws and Regulations and circulars issued thereunder of the Exchange and all parties to such trade shall have submitted to the jurisdiction of such court as may be specified by the Byelaws and Regulations of the Exchange for the purpose of giving effect to the provisions of the Rules, Byelaws and Regulations of the Exchange and the circulars issued thereunder.
19. The instructions issued by an authorized representative, if any, of the client shall be binding on the client in accordance with the letter authorizing the said representative to deal on behalf of the said client.
20. Where the Exchange cancels trade(s) suo moto all such trades including the trade/s done on behalf of the client shall ipso facto stand cancelled.
21. This agreement shall forthwith terminate; if the stock broker for any reason ceases to be a member of the stock exchange including cessation of membership by reason of the stock broker's default, death, resignation or expulsion or if the certificate issued by the Board is cancelled.
22. The stock broker and the client shall be entitled to terminate this agreement without giving any reasons to the other party, after giving notice in writing of not less than one month to the other parties. Notwithstanding any such termination, all rights, liabilities and obligations of the parties arising out of or in respect of transactions entered into prior to the termination of this agreement shall continue to subsist and vest in /be binding on the respective parties or his / its respective heirs, executors, administrators, legal representatives or successors, as the case may be.
23. In addition to the specific rights set out in this Agreement, the stock broker and the client shall be entitled to exercise any other rights which the stock broker or the client may have under the Rules, Bye-laws and Regulations of the Exchange and circulars issued thereunder or Rules and Regulations of SEBI.
24. Words and expressions which are used in this Agreement, but which are not defined herein shall, unless the context otherwise requires, have the same meaning as assigned thereto in the Rules, Byelaws and Regulations of the Exchange and circulars issued thereunder.
25. The provisions of this agreement shall always be subject to Government notifications, any rules, regulations, guidelines and circulars issued by SEBI and Rules, Regulations and Bye laws of the relevant stock exchange that may be in force from time to time.
26. The stock broker hereby undertakes to maintain the details of the client as mentioned in the client registration form or any other information pertaining to the client in confidence and that it shall not disclose the same to any person/ authority except as required under any law/regulatory requirements; Provided however that the stock broker may so disclose information about its his client to any person or authority with the express permission of the client.
27. This agreement can be altered, amended and /or modified by the parties mutually in writing without derogating from the contents of this Agreement. Provided however, if the rights and obligations of the parties hereto are altered by virtue of change in Rules and regulations of SEBI or Bye-laws, Rules and Regulations of the relevant stock Exchange, such changes shall be deemed to have been incorporated herein in modification of the rights and obligations of the parties mentioned in this agreement.
28. (Voluntary Clause) Additional clauses for availing additional facilities are attached as annexure - 1. Upon signature there in by the parties here to, the same shall form part of this agreement.

IN WITNESS THEREOF the parties to the Agreement have caused these presents to be executed as of the day and year first above written.

Signature of the client X5

Name of the client

Witness:

- 1.
2.

Authorised Signatory

Witness:

- 1.
2.

For DBFS Securities Limited

Note: All references to the specific quantity/rate/fee mentioned in this agreement are subject to change from time to time, as so agreed to in writing between the parties.

## COMBINED RISK DISCLOSURE DOCUMENT FOR CAPITAL MARKET/ CASH SEGMENT AND FUTURES & OPTIONS SEGMENT (TO BE GIVEN BY THE BROKER TO THE CLIENT)

This document is issued by the member of the National Stock Exchange of India (hereinafter referred to as "NSE")/ The Stock Exchange, Mumbai (hereinafter referred to as "BSE") which has been formulated by the Exchanges in coordination with the Securities and Exchange Board of India (hereinafter referred to as "SEBI") and contains important information on trading in Equities and F&O Segments of NSE / BSE. All prospective constituents should read this document before trading on Capital Market/Cash Segment or F&O segment of the Exchanges.

NSE/BSE/SEBI does neither singly or jointly and expressly nor impliedly guarantee nor make any representation concerning the completeness, the adequacy or accuracy of this disclosure document nor has NSE/BSE/SEBI endorsed or passed any merits of participating in the trading segments. This brief statement does not disclose all the risks and other significant aspects of trading. In the light of the risks involved, you should undertake transactions only if you understand the nature of the contractual relationship into which you are entering and the extent of your exposure to risk.

You must know and appreciate that investment in Equity shares, derivative or other instruments traded on the Stock Exchange(s), which have varying element of risk, is generally not an appropriate avenue for someone of limited resources/limited investment and/or trading experience and low risk tolerance. You should therefore carefully consider whether such trading is suitable for you in the light of your financial condition. In case you trade on NSE/ BSE and suffer adverse consequences or loss, you shall be solely responsible for the same and NSE/BSE, its Clearing Corporation/Clearing House and/or SEBI shall not be responsible, in any manner whatsoever, for the same and it will not be open for you to take a plea that no adequate disclosure regarding the risks involved was made or that you were not explained the full risk involved by the concerned member. The constituent shall be solely responsible for the consequences and no contract can be rescinded on that account. You must acknowledge and accept that there can be no guarantee of profits or no exception from losses while executing orders for purchase and/or sale of a security or derivative being traded on NSE/BSE.

It must be clearly understood by you that your dealings on NSE/BSE through a member shall be subject to your fulfilling certain formalities set out by the member, which may inter alia include your filling the know your client form, client registration form, execution of an agreement, etc., and are subject to the Rules, Byelaws and Regulations of NSE/BSE and its Clearing Corporation, guidelines prescribed by SEBI and in force from time to time and Circulars as may be issued by NSE/BSE or its Clearing Corporation/Clearing House and in force from time to time.

NSE/BSE does not provide or purport to provide any advice and shall not be liable to any person who enters into any business relationship with any trading member and/or sub-broker of NSE/BSE and/or any third party based on any information contained in this document. Any information contained in this document must not be construed as business advice/investment advice. No consideration to trade should be made without thoroughly understanding and reviewing the risks involved in such trading. If you are unsure, you must seek professional advice on the same.

In considering whether to trade or authorize someone to trade for you, you should be aware of or must get acquainted with the following:-

### 1. BASIC RISKS INVOLVED IN TRADING ON THE STOCK EXCHANGE (EQUITY AND OTHER INSTRUMENTS)

**1.1 Risk of Higher Volatility:** Volatility refers to the dynamic changes in price that securities undergo when trading activity continues on the Stock Exchange. Generally, higher the volatility of a security/contract, greater is its price swings. There may be normally greater volatility in thinly traded securities/contracts than in active securities/contracts. As a result of volatility, your order may only be partially executed or not executed at all, or the price at which your order got executed may be substantially different from the last traded price or change substantially thereafter, resulting in notional or real losses.

**1.2 Risk of Lower Liquidity:** Liquidity refers to the ability of market participants to buy and/or sell securities / contracts expeditiously at a competitive price and with minimal price difference. Generally, it is assumed that more the numbers of orders available in a market, greater is the liquidity. Liquidity is important because with greater liquidity, it is easier for investors to buy and/or sell securities / contracts swiftly and with minimal price difference, and as a result, investors are more likely to pay or receive a competitive price for securities / contracts purchased or sold. There may be a risk of lower liquidity in some securities / contracts as compared to active securities / contracts. As a result, your order may only be partially executed, or may be executed with relatively greater price difference or may not be executed at all.

**1.2.1** Buying/selling without intention of giving and/or taking delivery of a security, as part of a day trading strategy, may also result into losses, because in such a situation, stocks may have to be sold/purchased at a low/high prices, compared to the expected price levels, so as not to have any obligation to deliver/receive a security.

**1.3 Risk of Wider Spreads:** Spread refers to the difference in best buy price and best sell price. It represents the differential between the price of buying a security and immediately selling it or vice versa. Lower liquidity and higher volatility may result in wider than normal spreads for less liquid or illiquid securities / contracts. This in turn will hamper better price formation.

**1.4 Risk-reducing orders:** Most Exchanges have a facility for investors to place "limit orders", "stop loss orders" etc". The placing of such orders (e.g., "stop loss" orders, or "limit" orders) which are intended to limit losses to certain amounts may not be effective many a time because rapid movement in market conditions may make it impossible to execute such orders.

**1.4.1** A "market" order will be executed promptly, subject to availability of orders on opposite side, without regard to price and that, while the customer may receive a prompt execution of a "market" order, the execution may be at available prices of outstanding orders, which satisfy the order quantity, on price time priority. It may be understood that these prices may be significantly different from the last traded price or the best price in that security.

**1.4.2** A "limit" order will be executed only at the "limit" price specified for the order or a better price. However, while the customer receives price protection, there is a possibility that the order may not be executed at all.

**1.4.3** A stop loss order is generally placed "away" from the current price of a stock / contract, and such order gets activated if and when the stock / contract reaches, or trades through, the stop price. Sell stop orders are entered ordinarily below the current price, and buy stop orders are entered ordinarily above the current price. When the stock reaches the pre-determined price, or trades through such price, the stop loss order converts to a market/limit order and is executed at the limit or better. There is no assurance therefore that the limit order will be executable since a stock / contract might penetrate the pre-determined price, in which case, the risk of such order not getting executed arises, just as with a regular limit order.

**1.5 Risk of News Announcements:** Issuers make news announcements that may impact the price of the securities / contracts. These announcements may occur during trading, and when combined with lower liquidity and higher volatility, may suddenly cause an unexpected positive or negative movement in the price of the security / contract.

**1.6 Risk of Rumours:** Rumours about companies at times float in the market through word of mouth, newspapers, websites or news agencies, etc. The investors should be wary of and should desist from acting on rumours.

**1.7 System Risk:** High volume trading will frequently occur at the market opening and before market close. Such high volumes may also occur at any point in the day. These may cause delays in order execution or confirmation.

**1.7.1** During periods of volatility, on account of market participants continuously modifying their order quantity or prices or placing fresh orders, there may be delays in order execution and its confirmations.

**1.7.2** Under certain market conditions, it may be difficult or impossible to liquidate a position in the market at a reasonable price or at all, when there are no outstanding orders either on the buy side or the sell side, or if trading is halted in a security due to any action on account of unusual trading activity or stock hitting circuit filters or for any other reason.

**1.8 System/Network Congestion:** Trading on NSE/BSE is in electronic mode, based on satellite/leased line based communications, combination of technologies and computer systems to place and route orders. Thus, there exists a possibility of communication failure or system problems or slow or delayed response from system or trading halt, or any such other problem/glitch whereby not being able to establish access to the trading system/network, which may be beyond the control of and may result in delay in processing or not processing buy or sell orders either in part or in full. You are cautioned to note that although these problems may be temporary in nature, but when you have outstanding open positions or unexecuted orders, these represent a risk because of your obligations to settle all executed transactions.

2. As far as Futures and Options segment is concerned, please note and get yourself acquainted with the following additional features:-

**2.1 Effect of "Leverage" or "Gearing"** The amount of margin is small relative to the value of the derivatives contract so the transactions are 'leveraged' or 'geared'. Derivatives trading, which is conducted with a relatively small amount of margin, provides the possibility of great profit or loss in comparison with the principal investment amount. But transactions in derivatives carry a high degree of risk.

You should therefore completely understand the following statements before actually trading in derivatives trading and also trade with caution while taking into account one's circumstances, financial resources, etc. If the prices move against you, you may lose a part of or whole margin equivalent to the principal investment amount in a relatively short period of time. Moreover, the loss may exceed the original margin amount.

A. Futures trading involves daily settlement of all positions. Every day the open positions are marked to market based on the closing level of the index. If the index has moved against you, you will be required to deposit the amount of loss (notional) resulting from such movement. This margin will have to be paid within a stipulated time frame, generally before commencement of trading next day.

B. If you fail to deposit the additional margin by the deadline or if an outstanding debt occurs in your account, the broker/member may liquidate a part of or the whole position or substitute securities. In this case, you will be liable for any losses incurred due to such close-outs.

C. Under certain market conditions, an investor may find it difficult or impossible to execute transactions. For example, this situation can occur due to factors such as illiquidity i.e. when there are insufficient bids or offers or suspension of trading due to price limit or circuit breakers etc.

D. In order to maintain market stability, the following steps may be adopted: changes in the margin rate, increases in the cash margin rate or others. These new measures may also be applied to the existing open interests. In such conditions, you will be required to put up additional margins or reduce your positions.

E. You must ask your broker to provide the full details of the derivatives contracts you plan to trade i.e. the contract specifications and the associated obligations.

### 2.2. Risk of Option holders

1. An option holder runs the risk of losing the entire amount paid for the option in a relatively short period of time. This risk reflects the nature of an option as a wasting asset which becomes worthless when it expires. An option holder who neither sells his option in the secondary market nor exercises it prior to its expiration will necessarily lose his entire investment in the option. If the price of the underlying does not change in the anticipated direction before the option expires to an extent sufficient to cover the cost of the option, the investor may lose all or a significant part of his investment in the option.

2. The Exchange may impose exercise restrictions and have absolute authority to restrict the exercise of options at certain times in specified circumstances.

### 2.3 Risks of Option Writers

1. If the price movement of the underlying is not in the anticipated direction, the option writer runs the risks of losing substantial amount.

2. The risk of being an option writer may be reduced by the purchase of other options on the same underlying interest and thereby assuming a spread position or by acquiring other types of hedging positions in the options markets or other markets. However, even where the writer has assumed a spread or other hedging position, the risks may still be significant. A spread position is not necessarily less risky than a simple 'long' or 'short' position.

3. Transactions that involve buying and writing multiple options in combination, or buying or writing options in combination with buying or selling short the underlying interests, present additional risks to investors. Combination transactions, such as option spreads, are more complex than buying or writing a single option. And it should be further noted that, as in any area of investing, a complexity not well understood is, in itself, a risk factor. While this is not to suggest that combination strategies should not be considered, it is advisable, as is the case with all investments in options, to consult with someone who is experienced and knowledgeable with respect to the risks and potential rewards of combination transactions under various market circumstances.

## 3. GENERAL

### 3.1 Commission and other charges

Before you begin to trade, you should obtain a clear explanation of all commission, fees and other charges for which you will be liable. These charges will affect your net profit (if any) or increase your loss.

### 3.2 Deposited cash and property

You should familiarise yourself with the protections accorded to the money or other property you deposit particularly in the event of a firm insolvency or bankruptcy. The extent to which you may recover your money or property may be governed by specific legislation or local rules. In some jurisdictions, property which has been specifically identifiable as your own will be pro-rated in the same manner as cash for purposes of distribution in the event of a shortfall. In case of any dispute with the member, the same shall be subject to arbitration as per the byelaws/regulations of the Exchange.

3.3 For rights and obligations of the clients, please refer to Annexure-1 enclosed with this document.

3.4 The term 'constituent' shall mean and include a client, a customer or an investor, who deals with a member for the purpose of acquiring and/or selling of securities through the mechanism provided by NSE/BSE.

3.5 The term 'member' shall mean and include a trading member, a broker or a stock broker, who has been admitted as such by NSE/BSE and who holds a registration certificate as a stock broker from SEBI.

I hereby acknowledge that I have received and understood this risk disclosure statement and Annexure-1 containing my rights and obligations.

**X6**

Customer Signature

**ANNEXURE-1  
INVESTORS' RIGHTS AND OBLIGATIONS:**

- 1.1 You should familiarise yourself with the protection accorded to the money or other property you may deposit with your member, particularly in the event of a default in the stock market or the broking firm's insolvency or bankruptcy.
- 1.1.1 Please ensure that you have a documentary proof of your having made deposit of such money or property with the member, stating towards which account such money or property deposited.
- 1.1.2 Further, it may be noted that the extent to which you may recover such money or property may be governed by the Bye-laws and Regulations of NSE/BSE and the scheme of the Investors' Protection Fund in force from time to time.
- 1.1.3 Any dispute with the member with respect to deposits, margin money, etc., and producing an appropriate proof thereof, shall be subject to arbitration as per the Rules, Byelaws/Regulations of NSE/BSE or its Clearing Corporation / Clearing House.
- 1.2 Before you begin to trade, you should obtain a clear idea from your member of all brokerage, commissions, fees and other charges which will be levied on you for trading. These charges will affect your net cash inflow or outflow.
- 1.3 You should exercise due diligence and comply with the following requirements of the NSE/BSE and/or SEBI:
- 1.3.1 Please deal only with and through SEBI registered members of the Stock Exchange and are enabled to trade on the Exchange. All SEBI registered members are given a registration no., which may be verified from SEBI. The details of all members of NSE/BSE and whether they are enabled to trade may be verified from NSE/BSE website ([www.nseindia.com](http://www.nseindia.com) / [www.bseindia.com](http://www.bseindia.com)).
- 1.3.2 Demand any such information, details and documents from the member, for the purpose of verification, as you may find it necessary to satisfy yourself about his credentials.
- 1.3.3 Furnish all such details in full as are required by the member as required in "Know Your Client" form, which may also include details of PAN or Passport or Driving Licence or Voters Id, or Ration Card, bank account and depository account, or any such details made mandatory by SEBI/NSE at any time, as is available with the investor.
- 1.3.4 Execute a broker-client agreement in the form prescribed by SEBI and/or the Relevant Authority of NSE or its Clearing Corporation / Clearing House from time to time, because this may be useful as a proof of your dealing arrangements with the member.
- 1.3.5 Give any order for buy or sell of a security in writing or in such form or manner, as may be mutually agreed. Giving instructions in writing ensures that you have proof of your intent, in case of disputes with the member.
- 1.3.6 Ensure that a contract note is issued to you by the member which contains minute records of every transaction. Verify that the contract note contains details of order no., trade number, trade time, trade price, trade quantity, name of security, client code allotted to you and showing the brokerage separately. Contract notes are required to be given/sent by the member to the investors latest on the next working day of the trade. Contract note can be issued by the member either in electronic form using digital signature as required, or in hard copy. In case you do not receive a contract note on the next working day or at a mutually agreed time, please get in touch with the Investors Grievance Cell of NSE/BSE, without delaying.
- 1.3.7 Facility of Trade Verification is available on NSE/BSE website ([www.nseindia.com](http://www.nseindia.com) / [www.bseindia.com](http://www.bseindia.com)), where details of trade as mentioned in the contract note may be verified from the trade date upto five trading days. Where trade details on the website, do not tally with the details mentioned in the contract note, immediately get in touch with the Investors Grievance Cell of NSE/BSE.
- 1.3.8 Ensure that payment/delivery of securities against settlement is given to the concerned member within one working day prior to the date of pay-in announced by NSE/BSE or its Clearing Corporation / Clearing House. Payments should be made only by account payee cheque in favour of the firm/company of the trading member and a receipt or acknowledgement towards what such payment is made be obtained from the member. Delivery of securities is made to the pool account of the member rather than to the beneficiary account of the member.
- 1.3.9 In case pay-out of money and/or securities is not received on the next working day after date of pay-out announced by NSE/BSE or its Clearing Corporation / Clearing House, please follow-up with the concerned member for its release. In case pay-out is not released as above from the member within five working days, ensure that you lodge a complaint immediately with the Investors' Grievance Cell of NSE/BSE.
- 1.3.10 Every member is required to send a complete 'Statement of Accounts', for both funds and securities settlement to each of its constituents, at such periodicity as may be prescribed by time to time. You should report errors, if any, in the Statement immediately, but not later than 30 calendar days of receipt thereof, to the member. In case the error is not rectified or there is a dispute, ensure that you refer such matter to the Investors Grievance Cell of NSE/BSE, without delaying.
- 1.3.11 In case of a complaint against a member/registered sub-broker, you should address the complaint to the Office as may be specified by NSE/BSE from time to time.
- 1.4 In case where a member surrenders his membership, NSE/BSE gives a public notice inviting claims, if any, from investors. In case of a claim, relating to "transactions executed on the trading system" of NSE/BSE, ensure that you lodge a claim with NSE/BSE/NSCCL/Clearing House within the stipulated period and with the supporting documents.
- 1.5 In case where a member is expelled from trading membership or declared a defaulter, NSE/BSE gives a public notice inviting claims, if any, from investors. In case of a claim, relating to "transactions executed on the trading system" of NSE/BSE, ensure that you lodge a claim with NSE/BSE within the stipulated period and with the supporting documents.
- 1.6 Claims against a defaulter/expelled member found to be valid as prescribed in the relevant Rules/Bye-laws and the scheme under the Investors' Protection Fund (IPF) may be payable first out of the amount vested in the Committee for Settlement of Claims against Defaulters, on pro-rata basis if the amount is inadequate. The balance amount of claims, if any, to a maximum amount of Rs.10 lakhs per investor claim, per defaulter/expelled member may be payable subject to such claims being found payable under the scheme of the IPF.

**Notes:**

1. The term 'constituent' shall mean and include a client, a customer or an investor, who deals with a trading member of NSE/BSE for the purpose of acquiring and / or selling of securities through the mechanism provided by NSE/BSE.
2. The term 'member' shall mean and include a member or a broker or a stock broker, who has been admitted as such by NSE/BSE and who holds a registration certificate as a stock broker from SEBI.
3. NSE/BSE may be substituted with names of the relevant exchanges, wherever applicable.

**X7**

Signature of the CLIENT

For DBFS Securities Limited

**Checklist**

Client Registration Form (KYC)  Agreement between Stock Broker and Client  Risk Disclosure Document

Pan card copy  Address Proof  Passport / Voter ID / Driving license  Bank Passbook / Rent Agreement / Ration Card  Flat Maintenance Bill / Telephone Bill / Electricity Bill  Insurance Policy

ID Proof  Passport / Voters ID / Driving License / Bank Passbook  Bank A/C Proof  Copy of cancelled cheque / Pass book / Bank statement  DP A/c Proof  Holding Statement

**Additional clauses (voluntary) forming part of the Agreement between the Stock Broker and Client with  
DBFS Securities Limited**

***Mode of order placement***

1. The client hereby authorises the stock broker to buy and/or sell securities on his behalf based on orders or instructions made orally or in writing, either telephonically or through any other media including e-mail, fax etc and the client will have the full responsibility of such transactions.

***Margins***

2. The stock broker may at its sole discretion prescribe the payment of any part of or whole of margin in the form of funds only. The Client accepts to comply with the stock broker's requirement of payment of Margin, failing which the stock broker may sell, dispose, transfer or deal in any other manner the securities already placed with it as Margin or square off all or some of the positions of the Client as it deems fit in its discretion without further reference to the Client and any resultant or associated losses that may occur due to such square off/sale shall be borne by the Client, and the stock broker is hereby fully indemnified and held harmless by the Client in this behalf.
3. In case where the payment by the Client towards the margin is made through a Cheque issued in favor of the stock broker, any trade(s) would be executed by the stock broker only upon realisation of the funds of the said Cheque or otherwise as may be decided by the stock broker from time to time and at any point of time, depending on any considerations, including but not limited to the market conditions, that the stock broker may deem fit.
4. The Client's positions are valued at the latest market price available (mark to market) on a continuous basis by the stock broker. If on such mark to market, the loss incurred by the Client is more than the Margin available with the stock broker, the Client shall instantaneously pay the additional Margin.
5. The Client hereby authorises the stock broker to hold any shares purchased by the Client through stock broker's account until specifically requested by Client to transfer the shares to his DP account as declared to the Stock Broker and to treat those shares purchased by Client which is lying in the stock broker's Pool account as his margin for trading in the cash market or in the derivative market including currency derivative of any. The Client also authorises the stock broker to pledge those shares with any Bank or financial institution or group company or other companies to avail loan against these shares and to use it as margin money for trading or settling any pay in dues to the Exchange or for any dues to stock broker and to hold any payouts of funds and securities due to him in his account with the stock broker and treat it as his margin for trading until requested in writing by him.
6. The client hereby authorises the stock broker to accept the securities that may be provided by him in the course of trading in stock/ commodity exchanges through the stock broker or it group/ associate companies, subject to such terms as may be fixed by the stock broker from time to time for acceptance of securities as margin and / or valuation of securities. The client hereby authorises the stock broker to deposit / pledge these securities with a clearing corporation/ clearing member / custodian / bank/ financial institution or any other such entity for availing cash limits / margins.
7. The client hereby agrees that the securities provided as margin shall be valued at current market prices and credit shall be assigned only after applying the due haircut percentages fixed from time to time and security to security.
8. The client hereby agrees to replenish any shortfall in the value of securities in the form of additional securities and/or cash, before the next trading session from the time of the stock broker intimating me on such shortfall either orally or in writing. The client hereby authorises the stock broker to dispose of / liquidate the securities provided as margin to meet any shortfall in margins and /or adjust any outstanding dues in the client's trading account with the stock broker or its group/ associate companies.
9. The client shall intimate the stock broker at least 2 working days in advance for any release of securities provided to it as margin. The client agrees that the stock broker shall not release the securities pending any outstanding positions and dues in his trading account with the stock broker or its group/ associate companies.
10. The client hereby agrees that he shall not make any claim from the stock broker, in any manner whatsoever for any losses and costs arising of shortage in margins or delay in releasing the securities, due to reasons associated with or attributable to depository participant/ clearing corporation/ clearing member/ custodian/bank / financial institution or any such entity as referred in clause 6 above.

**Transfer of credits/ balances and recovery of dues**

11. The client hereby authorises the stock broker to effect transfer of account credits from the Capital Market segment to Derivatives segment (including currency derivative) and vice versa to meet the margin / settlement obligation on his account(s), as necessitated. The client also authorises the stock broker to effect transfer of account credits with stock broker to other group/associate companies in which he maintains trading account for transaction in stock or commodity exchange/s and vice versa.
12. The stock broker shall have the right to recover any dues from the client either from the pay-outs or by sale of the securities whether standing the client's name or securities belonging to the client or of the member of the family of the client in any of the settlement cycle in any Stock Exchange or segment without making further reference to or confirmation from the client. The client also agree and empower the stock broker to appropriate the shares in the demat or physical form either in beneficiary account of the client with lien duly marked or shares deposited with stock broker as margin, by selling off in the market to make up for the dues of the client without any further reference or confirmation from the client.
13. The client specifically authorises the stock broker to set off the outstanding in the account maintained by the stock broker of any members of the client's Family, against the money standing to the credit of the account maintained by any other member of his Family across any segment of any stock exchange(s) and/or across any exchange(s).
14. The Client authorises the stock broker to set off a part or whole of the Margin i.e by way of appropriation of the relevant amount of cash or by sale or transfer or pledge of all or some of the securities which form part of the margin, against any dues of the Client or of a member of the "Family" (hereinafter mean all the individuals, group companies, firms, entities and other persons as specified by the Client as per Schedule "A" annexed hereto) in the event of the failure of the Client or a member of the Family of the Client to meet any of their respective obligations under these terms.
15. In the event of the stock broker purchasing and/or selling securities on more than one stock exchange or more than one segment in one or more exchanges on behalf of the client, the client hereby specifically authorises the stock broker to set off the outstanding in the client's account maintained by the stock broker in respect of any stock exchange or any segment, against the money standing to the credit of the client's account maintained by the stock broker or any group company in respect of another stock exchange or another segment, as the case may be.
16. Notwithstanding anything contained in these presents, delayed payment charges at the rate of 1.5% per month or at a rate the stock broker may determine from time to time will be charged on any amounts, which are overdue from the client to the stock broker, will be charged as and the client hereby authorises the stock broker to directly debit the same to the account of the client.

**Contract Notes, digital statements etc.**

17. The client here by authorises the stock broker to issue contract note / trade confirmations of the trades executed by the client, bills and account statements thereof, notices, circulars, amendments and such other correspondence or documents in electronic form duly authenticated by means of a digital signature as specified in the information Technology Act 2000 to any of the below mentioned Email Ids of the client:

Email ID 1: .....

Email ID 2: .....

18. The client hereby agrees that the stock broker shall be deemed to have fulfilled the legal obligation, if the above documents are sent electronically to any one of the said e-mail ids. The client hereby undertakes to check the contract notes and bring the discrepancies to the notice of the stock broker within 48 hours of the execution of the trade. The client hereby agrees that the non verification or not accessing of the contract notes on regular basis shall not be a reason for disputing the contract note at any time. It is further agreed that the stock broker will not be responsible for non receipt of documents sent via electronic delivery due to change in email address / correspondence address or for any other reason which inter-alia include the malfunction of the client's computer system / server / internet connection etc. It is also agreed that the stock broker shall not take cognizance of out-of-office / out-of-station auto replies; and the client shall be deemed to have received such electronic mails.
19. It is agreed that discrepancies, if any, in the contract notes shall be intimated to the stock broker in writing to its head office or to E-mail id *[grievance@dbfsindia.com](mailto:grievance@dbfsindia.com)* within 48 hours of issuance of digital contract notes to the client. In the case of discrepancies in statement of funds and securities, the client shall report the discrepancies within 30 days of

the issuance of the Statement, and in the case of important announcement and notices, the client shall raise the query within the time specified in the respective communication. In the absence of specific intimation of the discrepancies, it can be presumed that the client has taken note of the contents of the contract notes/ account statement or reports/ communication and that the client does not have any objection and / or query on the same.

**Legitimacy for undertaking transactions**

- 20. The client hereby undertakes that his registration with the stock broker is in his individual capacity and is for undertaking his own transactions and that no body else has any interest in the account with the stock broker and that the client shall not be acting as an intermediary / sub broker in any manner.
- 21. The client hereby undertakes that he is not debarred or banned by any regulatory authority or under law from operating in the securities market.

**Running Account**

- 22. The client hereby authorises the stock broker to maintain his account as a running account. The client authorises the stock broker to retain the credit balance in his account until specifically requested by him and to treat the same as margin for transactions in his account.

**Proprietary transactions**

- 23. As per SEBI norms, the client is hereby informed that the stock broker does indulge in proprietary trading activities.

**Intimation of changes and termination**

- 24. The client shall have the right to terminate this agreement, but in writing only and upon such request for termination or modification, the stock broker shall be entitled to withdraw all or any special facility/ies offered to the client. The client hereby agrees to immediately intimate the stock broker about any change in the facts or details provided in this agreement and the stock broker is hereby indemnified from any losses or costs that may arise due to the failure on the part of the client to such timely intimation of change. Any termination of the agreement shall not be applicable with retrospective effect.

IN WITNESS THEREOF the parties to the Agreement have caused these presents to be executed as of the day and year first above written.

Signature of the client **X1**

For DBFS Securities Limited

Name of the client

Authorised Signatory

Witness:

Witness:

1.

1.

2.

2.

\* Strike off whichever is not applicable.

**Schedule – A**

Sl. No.	Name of the Person	Client Code	Relationship with the person	Status	Signature

**From**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Date:

To  
DBFS Securities Ltd.  
Smart Centre, Vazhakkala,  
Kochi - 683021

Dear sir,

This is to inform you that I/ we having / intending to pen a trading account with DBFS Securities Limited (hereinafter referred as DSL) have authorised Mr./ Mrs. \_\_\_\_\_ son/wife/daughter of \_\_\_\_\_ residing at \_\_\_\_\_ (here-in-after referred to as authorised representative), to trade on my/our behalf in the above trading account.

I / we authorise you to accept all instructions, from such person pertaining to execution or settlement of transactions in my / our account. I/we further accept that all obligations arising out of trades executed by such person will be met by me /us. I/We also undertake to indemnify DSL from all dues, penalties and incidental expenses relating to, and arising out of and in connection with transactions pertaining to my/ our above trading account with DSL.

I/ we hereby authorise you to act on the basis of this intimation and the same shall be valid until intimation of the contrary is given to you in writing.

Signature of the authorised representative  
(optional)

Signature of the client **X2**

Name of the client