Voluntary Document
Policies and Procedures

1. **Refusal of orders for Commodity Derivatives**:-
   The client is aware and agrees that the Commodity broker may refuse or restrict a client in placing the order in certain commodities depending on various conditions like volume / value / part of illiquid commodities although a client may have credit balance or sufficient margin in the trading account. However, Commodity broker under exceptional circumstances may execute cliental order. The Commodity broker has the discretion to reject execution of such orders based on its risk perception.

2. **Setting Up client's Exposure Limit**:-
   The client is aware and agrees that the Commodity broker may set the Exposure limits on the basis of available base capital which may comprise of Ledger and collaterals (after suitable margin hair cut). The limits may be allowed on a multiplier basis to the available capital or actual VAR margin basis or a specified margin depending on the Market conditions. Client agrees that said limit parameters is a dynamic process that is allowed at the discretion of the Commodity broker based on the market conditions and their risk perception about the market. However on exceptional situations broker may use its own discretion in providing the limits and may change for a client or for all depending on market condition.

3. **Applicable Brokerage Rate:-**

a) The Commodity broker is eligible to charge brokerage with respect to transactions effected by it in various segment as mentioned herein below -
   — Delivery based- The maximum brokerage rate for the time being shall.be 2 % (plus expenses) in case of transactions resulting into delivery.
   — Non- delivery based - The maximum brokerage rate for the time being shall be 1 % in case of non-delivery transactions.

b) The Commodity broker may charge different Brokerage for Deliverable and Intraday transactions.

c) Brokerage shall be charged on the premium amount at which the options contract was bought or sold and not on the strike price of the option contract. Maximum permissible brokerage rate is 2.50% of premium amount or Rs.250/- per lot, whichever is higher.

d) The client is aware that any request for change in the brokerage rate has to send in writing to the Branch who in turn will forward the request to Head Office of the Commodity broker. Acceptance / rejection of such request is at the discretion of Commodity broker.

e) Other Levies, charges, service tax etc. will be charged on Brokerage as per the Rules prescribed by the Government / Regulatory Agencies. All the above charges and levies debited to clients would be mentioned in the Contract Note send to client.

4. **Imposition of Interest on Outstanding debit and margins:-**
   —The client is required to pay all amounts due to the Commodity broker on its due date. The amount due to broker shall include all type of Margin and Pay-in obligation or on account of any other reason.
   — In case the client does not pay the amount due on time, the Commodity broker shall charge delayed payment charges up to the rate of 2% per month on the daily outstanding value or at such rates as may be determined from time to time by the Commodity broker. In case of Commodity market, interest will be charged from the time it become due till the time obligation is cleared by the client. The objective of charging such a charge is to force a client to clear their dues on a timely basis.
   — The client agrees that the Commodity broker may impose fines/penalties for any orders / trades of the client which are contrary to this agreement / rules / regulations of the Exchange. Further, under the instances where the Commodity broker has been penalized from any Authority on account of / as a consequence of orders /trades of the client, the same shall be borne by the client.

5. **The right to sell client's commodity derivative position or close client's positions, without giving notice to the client, on account of non-payment of client's dues:-**

The Client shall provide timely funds/Securities /commodities for the purchase/sale of commodities to the Broker for meeting his obligation to the Exchange. In case of client falling short of providing fund/commodities the Commodity broker has the right to close the positions. The Commodity Broker has the right to sell client's securities or close clients position with or without giving prior notice to client on account of non-payment of dues to the extent of Ledger debit and/or to the extent of Margin obligation. The broker can liquidate the securities bought or collaterals given or any other Commodities given in any other form for clearing the clients obligation.

6. **Shortages in Obligation Arising out Of Internal Netting of Trades**
The internal close out policy for handling internal shortages in Commodities is in line with the exchange policy for handling shortages at exchange level. Apart from this the seller will be additionally debited by 0.50% penalty. Thus, the buyer will get the credit of the shortage based on the calculation given by exchanges and the Seller will be debited by the same amount + 0.50% penalty. Any changes in this policy will be updated on Raghunandan Industries (P) Limited website from time to time.

7. **Conditions under which a client may not be allowed to take further position or the broker may close the existing position of a client:-**
In case overall position in derivatives contracts has reached the Regulators prescribed Exchange limit / Market Wide Open Interest limit, then client may not be allowed to take further position, till such time Regulator prescribed limits comes down to create a new position. Further, the Commodity broker may close the existing position of a client to the extent of Debit balances to release the Margin from the Exchange. In case if the Commodity broker has sufficient Margin cover on behalf of its client, it may still decide based on the market conditions and risk perception not to allow further position or may close the existing position of a client.

8. **Temporary Suspension/Closure of Accounts**
— The client may request the Commodity broker for temporary suspension/closure of his trading account by sending a written request to Branch. This request will be in turn sent by Branch to Head Office for further processing where after verification of the client details, the trading account of the client will be suspended.
— The client would be required to clear all his dues / settlement of obligations before his account is temporarily suspended. The client may also be required to fulfill other conditions, on a case to case basis.
— The Commodity broker can withhold the payouts of client and suspend/close his trading account due to any internal / regulatory action.
— Upon Suspension/closure of trading account an intimation will be sent to the client within 15 days of suspension.

9. **Deregistering a client**
In addition to what the client has agreed in the agreement, the Commodity broker may terminate a client with immediate effect, but not limited to the following reasons -
— If the client is debarred by SEBI/ FMC or any other regulatory authority
— As a part of surveillance measure, if a client appears to be indulging in manipulative practices.
— Under the circumstances when there is a reasonable ground to believe that the client is unable to clear its dues or has admitted its inability to pay its debt.
— If the client violates any of the terms of the agreement.

10. **Treatment of Inactive Clients**
RIPL identifies such client codes / trading accounts that are in-operative for a minimum period of preceding 12 months.
Accordingly, such trading accounts are made inactive in the Trading System and an email/letter/SMS or by way of any other mode the client is informed about the status of his trading account maintained with us. Further, if the client has any dues/ obligation to RIPL, then

any Commodities/securities bought or collaterals given or any other securities/commodities. Given by the client in any other form for clearing his obligation; will be adjusted and the balance would be returned to the client.

For re-activation of such trading account, the client shall be required to make a request to re-open the account and submit all necessary information with regard to updation of his / their KYC requirement. RIPL upon verifying at its end may activate client's trading code in the Trading System and an email/letter/SMS or by way of any other mode the client is informed about the status of his trading account. Upon re-activation the stock broker may execute the order on behalf of its client. Also, after reactivation, transactions on the basis of certain parameters are confirmed over telephone with clients, if such transactions are executed after a gap of such period of 12 months.

11. The Client is informed that Raghunandan Industries (P) Limited does carry proprietary trading.

12. Client acceptance of policies and procedures mentioned here in above -I /we have fully understood and agree to sign the same. Above policies and procedures may be amended / changed unilaterally by the stock broker provided the same is intimated via email / writing or reflected in the client's login.

Client Signature _____

Client Code:

Client Name: