

POLICIES AND PROCEDURES

Parsoli Corporation Limited as a SEBI registered intermediary is mandated to follow the rules regulations circulars of the exchanges and SEBI issued from time and operates through well defined procedures and policies. The following policies have been mandated by SEBI to be made available to the clients. It should not be construed that these are the only policies followed by Parsoli Corporation Limited.

- **Refusal of Orders for Penny Stocks**

Parsoli Corporation Ltd. does not encourage trading in penny stocks or securities falling in 'T to T' or 'Z' group of BSE and NSE. Member reserves its right to refuse orders in such securities from the clients desiring to deal in such shares, stocks, securities.

There is no formal list of the "Penny Stocks" issued by the Exchanges/SEBI. However there are shares of certain companies which are called / Known as "Penny Stocks" in the Market. These shares may be part of the list of "Illiquid Stocks" issued by the Exchanges from time to time but not necessarily so in all cases. As dealing in these stocks (in physical form or demat form) is risky the Company (as a stock broker) may decline to carry out Buy/Sale Order / s of any client for so called "Penny Stock" Under exceptional circumstances and considering merits on case-to-case basis, trading in penny stocks/T to T/Z category would be allowed to clients on delivery basis subject to stringent verifications of client holdings, intentions and bonafide reasons given by the intending clients.

- **Setting up of Client's Exposure limits**

The Company will fix the limit in value for each and every Buy/Sell Order / s of any particular Client, order / s will be executed in normal course based on "Income level" for the year confirmed by the Client / Sub broker / Remiser and other considerations. The Company will not disclose the rational / logic of their decision (about fixation of the monetary limit). However if requested by the Client for any specific transaction/s to be carried out as a special case then it may be considered on merit.

- **Applicable Brokerage Rate**

At present SEBI permits maximum brokerage @2.5%. The Company charges brokerage to their Clients at the rate/s below these maximum permitted limits. This rate will be revised by the Company based on volume of the Client's business / market conditions / other relevant factors. Any change in the rate of brokerage will be intimated to the Client.

- **Imposition of penalty / delayed payment charges by either party – Rate/ Period**

Clients who have a "Running Account" with the Company will have to make payments due to the Company on due date/s. If payment is not made to the Company on due date after considering one working day as Grace period interest will be charged to the particular Client at the rate of 12% to 18% per cent (Twelve To Eighteen per

cent) per annum. Company can sell client's securities or close client's out standing position to clear its debit. If, any Client fails to pay dues on due date for more than three occasions in any three months period the Company may consider de-registering that particular Client. The Company will make payments to all clients other than those who have agreed to have "Running Account" on due date. However all concerned employees are hereby warned to ensure that there is no default in payment by the Company to any client on due date as stated above. If there is any problem in complying with this instruction the matter should immediately be brought to the attention of the Managing Director/ Director.

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

In case any particular Client has failed to make payment on due date then the Company will sell that particular client's securities or close that particular client's position, without giving notice to the client on account of non-payment of dues.

- **Shortages in obligations arising out of internal netting of trades**

In case of BSE, shortages arising out of internal netting of trades are given for self-auction to the exchange through exchange mechanisms. In case of NSE, shortages arising out of internal netting of trades client shortages are closed out by the company as per the guidelines issued from time to time by the exchange.

In case of shortages due to Internal Netting of trades, if the Company is required to pay any penalty to the Exchange/s it will be charged to the Client concerned.

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

It is to be noted that under following circumstances a client will not be allowed to take further position or the Company may close that particular Client's position (i) if the particular Client is a Defaulter of amount due to the Company (ii) Value of the Collateral is not sufficient to meet the Losses incurred by the Client (iii) If according to the Company Market Conditions has turned or likely to turn unfavorable based on the information available or it is the view of the matter taken by the Company. (iv) That particular Client is barred from trading on the Exchange/s by SEBI/Exchange/s. (v) Political/financial instability in the country or otherwise.

- **Temporarily suspending or closing a client's account at the client's request**

It is to be noted that under following circumstances any particular Client's Account may be Suspended / Closed (i) On receipt of Written Instruction from that particular Client (ii) that particular Client is barred from Trading on the Exchange/s by SEBI/Exchange/s (iii) The particular Client who has defaulted in making payment on due date to the Company (iv) on receipt of any adverse information by the Company about the particular Client.

- **De-Registering a client.**

It is to be noted that any particular Client/s who is/are covered under any of the following category will be deregistered at our discretion. (i) That particular Client/s is/are barred from Trading on the Exchange/s by SEBI/Exchange/s (ii) The particular Client who has defaulted in making payment on due date to the Company (iii) on receipt of any adverse information by the Company about the particular Client (iii) The Client NOT trading through the Company continuously for more than 12 months. (iv)The death of the client

- **Policy for inactive clients accounts**

- Inactive client means client who is inactive during last 12 months immediately preceding the end of the previous month.
- A list of inactive clients shall be prepared from the back office software on the last day of every month and shall be submitted to the concerned department after confirmation with the management. The management will approve a final list of inactive clients.
- A copy of the list is also forwarded to dealers who operate our BOLT or NEAT terminals.
- The concerned department shall mark the client status as “inactive” or “dormant” in various front office software of CTCL and IML and back office accounting and DP software.
- After inactive marking, if any orders are received, the dealer shall take reasonable steps to identify the identity of the client and to ensure that the orders are received from the same client. The dealer shall use various techniques like call back, asking personal detail questions, last trade date, outstanding positions etc to confirm the identity of the caller. They may use any other technique which is reasonable. In case of a doubt the case shall be referred to the management or concerned Sub-Broker or introducer.
- Dormant client has to update their KYC details at the time of fresh order, if required for reactivation of the account. Reactivation of such clients will be done only after due diligence by the Company.

- **General Risks**

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 order. I/we as client using these systems 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 our 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 your control and may result in delay in processing or not processing buy or sell Orders either in part or in full. I/We as Client shall be fully liable and responsible for any such problem/fault.

- **Client Acceptance of Policies and Procedures stated hereinabove:**

I/We have fully understood the policies and procedures stated hereinabove and do hereby sign the same and agree as to the validity, enforceability and applicability of any provision/clauses in this document. These policies and Procedures may be amended/changed unilaterally by the broker, provided the change is informed to me/us through any means by providing a notice as may be duly stipulated by the regulator from time to time. These Policies and Procedures as stated hereinabove shall be deemed to form an integral part of the Agreement and be deemed to have been incorporated in the Agreement by reference and the client hereby agrees to accept and be bound by the provisions of the same. Accordingly, the policies and procedures envisaged hereinabove shall be governed by the detailed terms and conditions of the agreement and shall be compulsorily referred to while deciding any dispute/difference or claim between me/us and WBPL before any court of law/judicial/ adjudicating authority including arbitrator /mediator etc.

Signature X

Name _____ Client Code _____