

OTHER POLICIES & PROCEDURES OF CROWN CONSULTANTS (P) LTD.

This document outlines various policies and procedures followed by Crown Consultants (P) Ltd (hereinafter called as Crown) with respect to dealing of clients as stock broker of National Stock Exchange of India (NSE).

The policies and procedure stated here in below are subject to changes from time to time at sole discretion of Crown Consultants (P) Ltd depending upon regulatory changes, its risk management framework, other market conditions etc.

A. Setting up the client's exposure limits:

- Client's exposure limit is set and determined by the risk management department after considering the regulatory requirement, client profile, internal risk management policy, market condition etc. The exposure limit will be set on case to case basis. These limits may be set exchange wise, segment-wise scrip wise.
- The exposure will be considered and calculated on basis sum of free credit balance of client in the Books, Margin in form of funds, securities, etc of clients available with Crown and value of securities held in Client beneficiary account
- The Exposure limits to the client will be provided based on margin maintained with Crown, in form of funds /securities (if any) provided by client etc.
- In case of cash segment Crown may at its sole discretion to allow exposure limits to client without any credit balance and/or margin.
- The Crown reserves the right to withdraw exposure limit of any client at any point of time. The client can not raise any concern/ dispute for the same.
- The choice of securities to be considered as margin shall be determined by Crown from time to time and client will have to abide by same. While granting the exposure limit, margin in form of securities will be valued as per the latest available closing price on NSE. Applying the appropriate haircut from time to time will be sole discretion of Crown.

B. Refusal of order for penny Stock and/ or illiquid Stocks/ Contracts/ option

- Following may be considered as penny Stock and/ or illiquid Stocks/ Contracts/ option by Crown depending upon circumstances:
 - Securities forming part of Z group
 - Script whose average daily volume is last month is less than 2000 shares.
 - Illiquid options/contract very far month options/contracts very long dated options/ contracts.
 - List of Illiquid scrip appearing on the exchanges web-site from time to time.
- The above list is just indicative list and is subject to changes from time to time
- Crown does not deal in securities which are in dematerialized form.
- Trading in above securities may or may not be allowed to client at sole discretion of Crown from time to time. Crown may restrict the quantity of such shares if client is allowed to buy/ sell. Crown may insist upon 100% advance pay-in of funds / securities before allowing the trades in market to client.

C. Imposition of penalty/ delayed payment charges by either party, specifying the rates and the period.

- It is responsibility of Client to ensure that required Margin (including initial margin, MTM, and/ or any other type of margins), outstanding of settlement obligation, any dues payable to Crown/ Exchange are paid within time stipulated by Exchange or Crown.
- If any penalty is due and arising on account of dealings of any client said penalty may be recovered from respective client.
- In the event if clients defaults in meeting above stipulated obligations and/or maintains debit balance in ledger, Crown at its sole discretion may charge delayed payment charges at such rate/ manner/ interval as determine by Crown from time to time.
- No interest or charges will be paid by Crown to any client in respect of retention for funds or securities towards meeting future settlement obligation and in respect of running account authorization.

D. Right to Sell clients securities or close clients positions without giving notice to the client on account of non-payment of clients dues.

- It is client's responsibility to furnish adequate margin in stipulated time frame as specifies by Crown from time to time. Client shall fulfill all his/her/its settlement obligations and/ or any other liabilities etc.
- Crown shall be entitled/ have right to close out, liquidate all or any of the clients open/outstanding position, Sell clients securities both unpaid as well as collaterals deposited towards margin at any point of time to recover its rightful dues with out giving notice to client where there is a delay/ failure of the client to meet the pay-in obligations or any other liability.
- In event like market is falling beyond any rationale.
- If market price of securities, laying as margin or brought by the client for which payment is not made is falling or are anticipated to fall or circumstances arise where in sole opinion of Crown for minimize the loss or financial damage is to sell off shares.
- Any and all losses and financial charges on account of such liquidation/ close out / sell shall be charged to and borne by the client.

E. Shortage in Obligation arising out of Internal netting of trades:

- Crown shall have the right to adopt a policy of its choice for shortage in obligation arising out of internal netting of trades.
- The current procedure is, if client fails to give delivery of the securities sold then it is advised to client that securities may be purchased in market.
- In case of any auction take place that client who has failed to give delivery of securities sold will be debited for any auction charges there of.

F. Applicable Brokerage Rate:

- The brokerage rate will be as per the terms agreed with the client at the time of registration.
- The brokerage rate will be communicated to client though in KYC welcome kit.
- The brokerage rate may vary in future as agreed between client and Crown either in writing or orally. The brokerage will be excusive of following Service Tax and Education Cess
SEBI/Exchange/clearing Corporation charges (if any)
Stamp duty
Statutory charges payable to Exchange/ SEBI/ Govt. Authorities
Account opening Charges, DP Charges, other out of Pocket and service related charges.

G. Temporarily suspending or closing a clients account at the client request

- Client who wants to temporarily suspend or close trading account can do so by submitting a written request in the form and format as may be prescribed by Crown.
- Prior to submission of such request the client should ensure that all dues and payables to Crown are cleared.
- If client wants to activate the broking account then written request for reactivation should be send to Crown with all the requisite information /evidence as may be specified by Crown.

H. Deregistering a client

- Without prejudice to Crown's Rights and remedies available under the client agreement. Crown at its Sole and absolute discretion, de-register the client with/without prior notice/ intimation.
- Before deregistering the client Crown shall have right to settle any due/ debit balance in the clients account by selling the securities laying in the margin account and /or beneficiary account of the client.
- Following are some of the circumstances where by Crown may consider de-registering the client.
 1. Where the client indulges in any irregular trading activities like price manipulation, synchronized trading, trading in securities at prices significantly away from market prices, etc:
 2. Any enquiry/investigation/regulatory action taken /initiated by exchange/ regulators against the client.
 3. Any clients name appearing in list of debarred entities published by SEBI/ Exchanges/ UN.
 4. Where client is non-traceable or information pertaining to his/her death has been received by Crown.

5. The client having suspicious background or links to suspicious organizations.
6. Any other circumstances leading to breach of confidence in the client or any such other circumstances which in the sole discretion of Crown warrants for deregistration of particular client.
7. On death/ insolvency of the client.

I. Policy for inactive clients:

- Any client who has not traded in any segment of any exchanges with Crown for last one year may be termed as dormant/ inactive client.
- The one year may be calculated from beginning of every financial year or such other period as may be decided by Crown.
- The trading account of such client will be tagged/ red-marked as dormant/inactive client and trading in such code may be deactivated or suspended temporarily.
- Client may send written request to reactive Trading account with all the requisite information /evidence as may be specified by Crown.

J. Conditions under which the client may not be allowed to take further position or may close the existing position of the client Positions

- Following illustrative list of circumstances in which Crown may not allow the clients to take further position or may close the existing position of the client.
 1. Failure to provide sufficient/adequate margin(s)and/ or insufficient/ inadequate credit balance in clients trading account.
 2. If client fails to deposit margin/ additional margin beyond stipulated time frame prescribed by exchange / Crown , to maintain the requisite margin in such form and manner prescribed by Crown / exchanges from time to time.
 3. If client has breached the client wise limit set.
 4. Settlement obligations are not paid by client within stipulated time period prescribed by Exchanges/ Crown.
 5. Any ban imposed on the client by the regulatory authorities.
 6. Client suspected to be indulging in money laundering activities.
 7. Any clients name is appearing in list of debarred entities published by SEBI/ Exchanges.
 8. In the event of clients death or insolvency.
 9. Depending upon market circumstances if Crown is of view that the positions of the client are at risk then Crown may close existing positions without waiting for pay-in schedule of exchanges.
- The above stated list is just indicate in nature any other circumstances or instances may be added or subtracted from the list at sole discretion of Crown.

Crown will not be responsible for any opportunity loss or financial loss to the client in the event any action taken by it under this policy

