

## **Investor Charter - Stock Brokers (Inline with SEBI Advisory)**

### **VISION**

To be an Institution fully focused and committed to set ethical standards in every level of operation. Compliance and transparency be the guiding post. End result shall be facilitating ultimate aim of every Investor. Wealth Creation : Legally and Ethically !

### **MISSION**

- i) To strive to be the best destination for Common Investor.
- ii) To offer quality and dependable service through innovation, capacity enhancement and use of cutting-edge technology.
- iii) To win and retain trust of Investors.
- iv) To be known as compliance friendly organization.
- v) To keep Common Investor as Centre of Gravity ..Protect their Interest.

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### **Services provided to Investors**

- Execution of Orders for and on behalf of Clients.
- Issuance of Contract Notes.
- Issuance of Intimations regarding Margin Call.
- Facilitate Execution of Electronic Delivery Instruction Slips (EDIS).
- Settlement of Client's Funds.
- Quarterly Settlement of Funds, for Clients who have opted for Running Account Option of Settlement.
- Issue Retention Statement whenever Client Funds are retained as per SEBI Guidelines.
- Intimation of Securities held in Client Unpaid Securities Pledgee Account (CUPSA) Account.
- Risk Management Systems to mitigate operational and market risk.
- Facilitate Client profile changes in the system as instructed by the Client.
- Information sharing with the Client w.r.t Exchange circulars.
- Redressal of Investor's grievances.

### **Rights of Investors**

- **Ask** for and receive information from a firm about the work history and background of the person handling your account, as well as information about the firm itself.
- **Receive** complete information about the risks, obligations, and costs of any investment before investing.
- **Receive** recommendations consistent with your financial needs and investment objectives.
- **Receive** a copy of all completed account forms and agreements.
- **Receive** account statements that are accurate and understandable.
- **Understand** the terms and conditions of transactions you undertake.
- **Access** your funds in a timely manner and receive information about any restrictions or limitations on access.
- **Receive** complete information about maintenance or service charges, transaction or redemption fees, and penalties.
- **Discuss** your grievances with compliance officer of the firm and receive prompt attention to and fair consideration of your concerns.

**Investor Charter - Stock Brokers (Inline with SEBI Advisory)****Timelines for various activities**

<b>S.No.</b>	<b>Activities</b>	<b>Expected Timelines</b>
1.	Client on Boarding	Immediate, but not later than one week.
2.	KYC entered into KRA System and CKYCR	10 days of account opening.
3.	Allocation of Unique Client Code	Before Trading
4.	Copy of duly completed Client Registration Documents to clients	Within 7 days from the date of upload of Unique Client Code to the Exchange by the Trading Member
5.	Order execution	Immediate on receipt of order, but not later than the same day.
6.	Collection of upfront margin from client	Before initiation of Trade
7.	Issuance of intimations regarding other margin due payments.	At the end of the T day
8.	Issuance of Contract Notes	24 hours of execution of trades
9.	Settlement of Client funds	If consent not given for RAS - within 24 hours of Pay-out. On 6th day of the subsequent month if 30 days / 90 days for Running Account Settlement (RAS) as per the preference of client.
10.	Issuance of Retention Funds Statement	5 days from the date of settlement.
11.	Issuance of Annual Global Statement	30 days from the end of the financial year.
12.	Investor grievances redressal	30 days from the receipt of the complaint.

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### Dos and DON'Ts for Investors

Dos	DON'Ts
1. Read all documents and conditions before signing the account opening form.	1. Do not deal with unregistered stock broker.
2. Receive a copy of KYC, copy of account opening documents and Unique Client Code	2. Do not forget to strike off blanks in your account opening and KYC.
3. Read the product/ operational framework / timelines related to various Trading and Clearing & Settlement processes.	3. Do not submit an incomplete account opening and KYC form
4. Receive all information about brokerage, fees and other charges levied.	4. Do not forget to inform any change in information linked to trading account and obtain confirmation of updation in the system.
5. Register your mobile number and email ID in your trading, demat and bank accounts to get regular alerts on your transactions.	5. Do not transfer funds, for the purposes of trading to anyone other than a stockbroker. No payment should be made in name of employee of stock broker.
6. If executed, receive a copy of Power of Attorney. However, Power of Attorney is not a mandatory requirement as per SEBI / Stock Exchanges. Before granting Power of Attorney, carefully examine the scope and implications of Powers being granted.	6. Do not ignore any emails / SMSs received with regards to trades done, from the Stock Exchanges and raise a concern, if discrepancy is observed.
7. Receive contract Notes for Trades executed, showing transaction price, brokerage, GST and STT etc. as applicable, separately, within 24 hours of execution of trades.	7. Do not opt for Electronic Contracts Notes, if not familiar with computers.
8. Receive funds and securities on time within 24 hours from pay-out.	8. Do not share trading Password.
9. Verify details of Trades, Contract Notes and Statement of Account and approach relevant authority for any discrepancies. Verify Trade details on the Exchange websites from the trade verification facility provided by the Exchanges.	9. Do not fall prey to fixed/ guaranteed returns schemes.
10. Receive statement of Accounts periodically. If opted for Running Account periodically. If has to be settled by the Stock Broker as per the option given by the Client (30 to 90 days).	10. Do not fall prey to fraudsters sending emails and SMSs luring to trade in stocks / securities promising huge profits.
11. In case of any grievances, approach Stock Broker or Stock Exchange or SEBI for getting the same resolved within prescribed timelines.	11. Do not follow herd mentality for investments. Seek expert and professional advice for your investments.

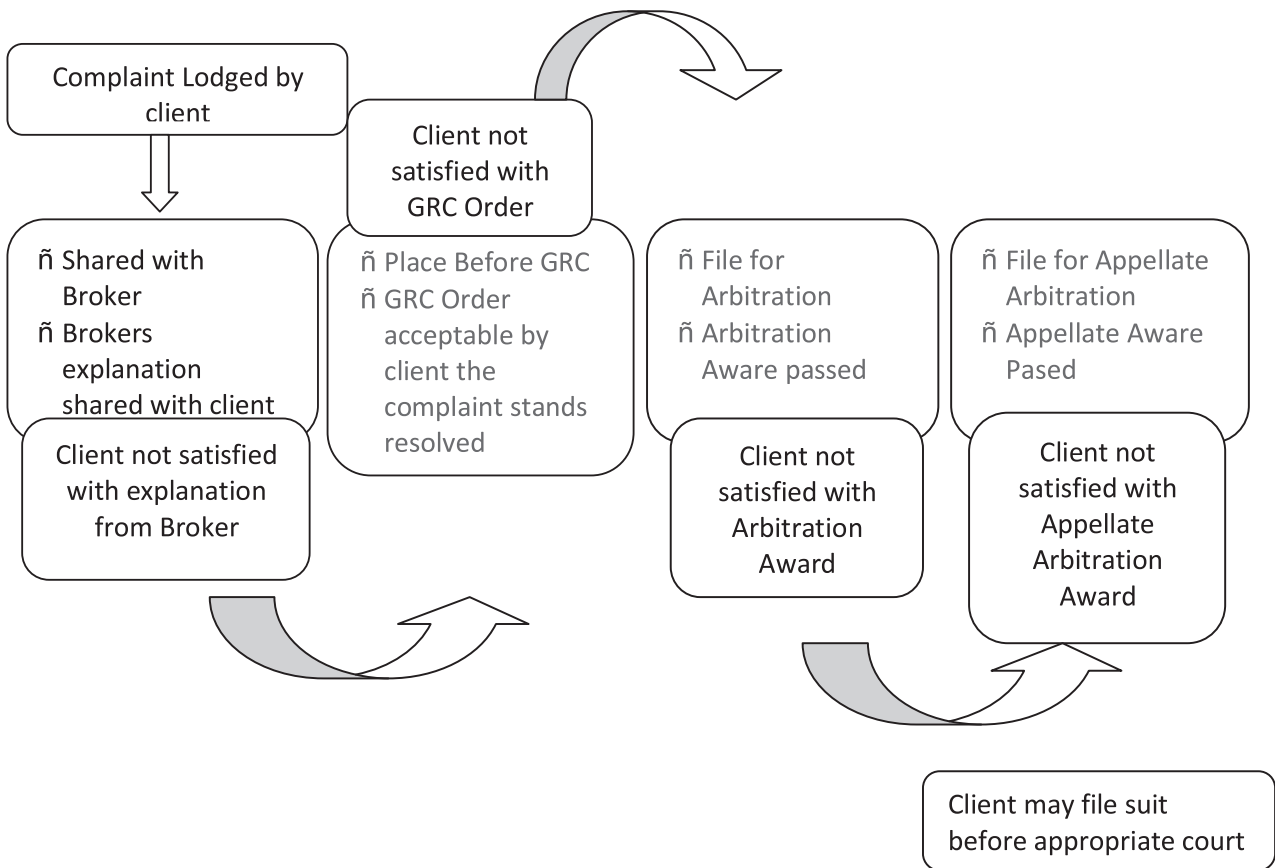
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### Grievance Redressal Mechanism

**Level 1** - Approach the Stock Broker at the designated Investor Grievances e-mail ID of the Stock Broker. The Stock Broker will strive to redress the grievance immediately, but not later than 30 days of the receipt of the grievance.

**Level 2** - Approach the Stock Exchange using the grievance redressal mechanism mentioned at the website of the respective Exchange.

Complaints Resolution Process at Stock Exchange explained graphically:



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Timelines for complaint resolution process at Stock Exchanges against stock brokers.

S.No.	Type of Activity	Timelines for activity
1.	Receipt of Complaint	Day of complaint (C Day)
2.	Additional information sought from the investor, if any, and provisionally forwarded to stock broker.	C + 7 Working days
3.	Registration of the complaint and forwarding to the stock broker.	C + 8 Working days i.e. T day
4.	Amicable Resolution	T + 15 Working Days
5.	Refer to Grievance Redressal Committee (GRC) in case of no amicable resolution.	T + 16 Working Days
6.	Complete resolution process post GRC	T + 30 Working Days
7.	In case where the GRC Member requires additional information, GRC order shall be completed within.	T + 45 Working Days
8.	Implementation of GRC order	On receipt of GRC Order, if the order is in favour of the investor, debit the funds of the stock broker. Order for debit is issued immediately or as per the directions given in GRC order.
9.	In case the stock broker is aggrieved by the GRC order, will provide intention to avail arbitration.	Within 7 days from receipt of order.
10.	If intention from stock broker is received and the GRC order amount is upto Rs. 20 Lakhs.	Investor is eligible for interim relief from Investor Protection Fund (IPF). The interim relief will be 50% of the GRC order or Rs. 2 Lakh whichever is less. The same shall be provided after obtaining an Undertaking from the investor.
11.	Stock Broker shall file for arbitration	Within 6 months from the date of GRC recommendation.
12.	In case the stock broker does not file for arbitration within 6 months.	The GRC order amount shall be released to the investor after adjusting the amount released as interim relief, if any.

### Handling of Investor's claims / complaints in case of default of a Trading Member / Clearing Member (TM/CM).

#### Default of TM/CM.

Following steps are carried out by Stock Exchange for benefit of investor, in case stock broker defaults:

- Circular is issued to inform about declaration of Stock Broker as Defaulter.
- Information of defaulter stock broker is disseminated on Stock Exchange website.
- Public Notice is issued informing declaration of a stock broker as defaulter and inviting claims within specified period.
- Intimation to clients of defaulter stock brokers via emails and SMS for facilitating lodging of claims within the specified period.

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Following information is available on Stock Exchange website for information of investors:

- Norms for eligibility of claims for compensation from IPF.
- Claim form for lodging claim against defaulter stock broker.
- FAQ on processing of investors' claims against Defaulter stock broker.
- Provision to check online status of client's claim.

**Level 3** - The complaint not redressed at Stock Broker / Stock Exchange level, may be lodged with SEBI on SCORES (a web based centralized grievance redressal system of SEBI) @ <https://scores.gov.in/scores/Welcome.html>

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### CONSENT TO USE AADHAAR AS PROOF OF ADDRESS (POA) AND PROFF OF IDENTITY (PI)

Date: \_\_\_\_\_ Client Name / UCC: \_\_\_\_\_  
Address: \_\_\_\_\_

To,  
Lrk Consultancy Pvt. Ltd.  
Moti Sagar, Junction of Zaver and  
Ganesh Gawde Road, Mulund (West)  
Mumbai - 400 080.

Dear Sir

#### **Sub: Aadhar Informed Consent**

1. I voluntarily offer adhaar as Officially Valid Document in KYC process with you
2. I am informed by you that there are alternative options of KYC and for establishing proof of address and proof of identity.
3. I authorize you to use adhar for KYC and periodic KYC process as per the PML Act 2002 and rules there under and as per SEBI guideline, or for establishing my identity, carrying out my identification, offline verification and such other verification under relevant law, exiting and future.
4. I authorized you collecting, sharing, storing, preserving Information, maintaining records and using the information/ verification / identification of records (a) for informed purposes as above (b) as well as for regulatory and legal reporting and filing and/or (c) where required under applicable law.
5. I authorize you to use Aadhar for enabling my account for Aadhaar enabled Payment Services (AEPS);
6. I authorize you producing records and logs of consent, information or of authentication, identification, verification etc. for evidentiary purpose, including before a court of law, my authority or in arbitration.
7. I understand that the Aadhar number and core biometrics will not be stored/shared except as per law.
8. I will not hold you responsible in the event this document is not found to be in order or in case of any incorrect information provided by me.
9. Above consent and purpose of collecting information has been explained to me in my local language.

Signature :