RMS POLICY

BACKGROUND:

Pluswealth Capital Management LLP a Trading Member of NSE, BSE, MSEI, MCX and Depository Participant of CDSL As per the requirement of Exchange & SEBI, entity has designed a "Risk Management Policy" for extending trading facility to its clients and in the respective segments of exchanges.

RMS works on the following concepts:

1. Cash: The clear balance available in the customer's ledger account in our books.
2. Margin: The underlying stake provided by the customer in the form of cash, FDR and/or stock to mitigate market (price) or settlement (auction) risk
3. Exposure: The aggregate of the customer's obligations arising out of buy + sell trades awaiting settlement in the cash segment and profit/ loss amounts that are yet to be settled on the closed positions.
4. Exposure multiple: The number of times that exposure is allowed on the underlying margin sales on the cash segment would have to be made either on the availability of cash margin or on the availability of the stocks (which are to be sold) in our margin account, by executing a transfer before the sale order is initiated.
5. Stock qualifying for margin in cash segment transactions: Securities in the approved list of Stock Exchange as per SEBI guidelines.
6. Total Deposit: The aggregate of client deposit available with us in the form of cash, Shares (After Applicable Hair Cut) and FDR.

POLICIES & PROCEDURES UNDER RMS

1. **Policy for Penny Stock:** The stocks, which are appearing in the list of illiquid securities issued by the Exchanges every month. These stocks are generally considered to be highly speculative and high risk because of their lack of liquidity, large buy-ask spreads, small capitalization and limited following and disclosure. Depend on the market condition and RMS Policy of the organization RMS reserve the right to refuse to provide the limit in Penny stocks and losses if any on account of such refusal shall be borne by client only.

2. **Setting up client's exposure limits:** The "Pluswealth Capital Management LLP" Traders may from time to time impose and vary limits on the orders that the client can place through the our trading system (including exposure limits, turnover limits, limits as to the number, value and/or kind of securities in respect of which orders can be placed etc.). The client is aware and agrees that the "Pluswealth Capital Management LLP" Traders may need to vary or reduce the limits or impose new limits urgently on the basis of the "Pluswealth Capital Management LLP" Traders risk perception and other factors considered relevant by to us including but not limited to limits on account of exchange/SEBI directions/limits (such as broker level/market level limits in security specific/volume specific exposures etc.), and the "Pluswealth Capital Management LLP" may be unable to inform the client of such variation reduction or imposition in advance.

The client agrees that the “Pluswealth Capital Management LLP” shall not be responsible for such variation, reduction or imposition or the client’s inability or route any order through the “Pluswealth Capital Management LLP” trading system on account of any such variation, reduction or imposition of limits. The Client further agrees that the “Pluswealth Capital Management LLP” may at any time, at its sole discretion and without prior notice, prohibit or restrict the client’s ability to place orders or trade in securities through the “Pluswealth Capital Management LLP” or it may subject any order place by the client to review before its entry into the trading systems any my refuse to execute/allow execution of orders due to but not limited to the reason of lack of margin/securities or the order being outside the limits set by us/exchange/SEBI and any other reasons which the “Pluswealth Capital Management LLP” may deem appropriate in the circumstances. The client agrees that the losses, if any on account of such refusal or due to delay caused by such review, shall be borne exclusively by the client alone.

We have margin based RMS System, Total deposits of the clients are uploaded in the system and client may take exposure on the basis of margin applicable for respective security as per VAR based margining system of the stock exchange and/or margin defined by RMS based on their Risk Perception. Client may take benefit of “credit for sale” i.e. benefit of share held as margin by selling the same by selection Delivery option through order entry window on the trading platform, the value of share sold will be added with the value of deposit and on the basis of that client may take fresh exposure.

3. **Applicable Brokerage Rate:** Exclusive of Stamp Duty, Service Tax, STT (Securities Transaction Tax) and any other statutory levies Brokerage will be charged within the limits prescribed by SEBI/Exchange. It is hereby further, clarified that brokerage on option contract shall be charged on the premium amount at which the option contract was bought or sold, not on the strike price of the option contract. Subject to revision at our sole discretion and as informed by a circular sent by ordinary post/courier services/email. It would be the duty of client to note the said charges regularly and periodically and shall not raise any dispute or claim in respect to said charges at any later stage. Further it is clarified that the above mentioned charges could vary from client to client at the sole discretion of Pluswealth Capital Management LLP and No client would have any right to compare or claim charges charged from other client by Pluswealth Capital Management LLP.

4. **Imposition of penalty charges:** The Client agrees that the “Pluswealth Capital Management LLP” may impose fines / penalties for any orders / trades / deals / actions of the client which are contrary to this agreement / rules / regulations / bye laws of the exchange or any other law for the time being in force, at such rates and in such form as it may deem fit. Further where the “Pluswealth Capital Management LLP” has to pay any fine or bear any punishment from any authority in connection with / as a consequence of /in relation to any of the orders / trades / deals actions of the client, the same shall borne by the client.

5. **The right to sell client’s securities or close client’s positions, without giving notice to the client, on account of non-payment of client’s due:** Without prejudice to the our other rights (Including the right to refer the matter to arbitration), the “Pluswealth Capital Management LLP” Traders shall be entitled to liquidate /close out all or any of the clients position without giving notice to the client for non -payment of margins or other amounts including the pay in obligation, outstanding debts etc. and adjust the proceeds of such liquidation/close out, if any, against the clients liabilities / obligation.

The client shall ensure timely availability of funds/securities in form and manner at designated time and in designated bank and depository account(s), for meeting his/her/its pay in obligation of funds and securities. Any and all losses and financial charges on account of such liquidations/closing out shall be charged to & born by the client. In case of securities lying in pool account/client unpaid securities account and having corporate actions like Bonus, Stock split, Right issue etc., for margin or other purpose the benefit of shares due to receive under Bonus, Stock split, Right issue etc. will be given when the shares is actually received in the "Pluswealth Capital Management LLP" designated demat account.

In case the payment of the margin/securities is made by the client through a bank instrument, the "Pluswealth Capital Management LLP" shall be at liberty to give the benefit/credit for the same only on the realization of the funds from the said bank instruments etc., at the absolute discretion of the "Pluswealth Capital Management LLP". Where the margin/security is made available by way of securities or any other property, "Pluswealth Capital Management LLP" has empowered to decline its acceptance as margin/security &/or to accept it at such reduced value as the "Pluswealth Capital Management LLP" may deem fit by applying haircuts or by valuing it by marking it to market or by any other method as the "Pluswealth Capital Management LLP may deem fit in its absolute discretion.

The "Pluswealth Capital Management LLP" has the right but not the obligation, to cancel all pending orders and to sell/close/liquidate all open positions/securities/shares at the pre- defined square off time or when Mark to Market (M-T-M) percentage reaches or crosses stipulated margin percentage, whichever is earlier, The "Pluswealth Capital Management LLP" will have sole discretion to decide referred stipulated margin percentage depending upon the market condition. In the event of such square off, the client agrees to bear all the losses based on actual executed prices, the client shall also be solely liable for all and any penalties and charges levied by the exchange(s).

6. **Shortages in obligations arising out of internal netting of traders:** "Pluswealth Capital Management LLP" shall not be obliged to deliver and securities or pay any money to the client unless and unit the same has been received by the "Pluswealth Capital Management LLP" from the exchange, the clearing corporation/clearing house or other company or entity liable to make the payment and the client has fulfilled his/her/its obligations first. The policy any procedure for settlement of shortage in obligations arising out of internal netting of the traders is as under:

The Short delivering client is debited by an amount equivalent to 20% above of closing rate of day prior to pay in/Payout Day. The securities delivered short are purchased from market on T+2/T+1 day and the purchase consideration (inclusive of all statutory taxes & levies) is debited to the short delivering seller client along with reversal entry of provisionally amount debited earlier.

If securities cannot be purchased from market due to any force majeure condition, the short delivering seller is debited at the closing rate on T+2/T+1 day or Auction day on Exchange +10% where the delivery is matched partially or fully at the Exchange Clearing, the delivery and debits/credits shall be as per Exchange Debits and Credits.

In cases of securities having corporate actions all cases of short delivery of cum transactions which cannot be auctioned on cum basis or where the cum basis auctioned on cum basis or where the cum basis auction payout is after the book closure/record date, would be compulsory closed out at higher of 10% above the official closing price from first trading day of the settlement till the auction day.

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

We have margin based RMS system. Client may take exposure up to the amount of margin available with us. Client may not be allowed to take position in case of non- availability/shortage of margin as per our RMS policy of the entity
The existing position of the client is also liable to square off/close out without giving notice due to shortage or margin/non making of payment for their paying obligation/outstanding debts.

7. **Temporarily suspending/freeze/unfreeze/blocking or closing a client's account at the client's request:** In case of offline clients, on the request of the client in writing, the client account can be suspended temporarily and same can be activated on the written request of the client only. During the period client account is suspended, the market transaction in the client account will be prohibited. However client shares/ledger balance settlement can take place.

On the request of the client in writing, the client account can be closed provided the client account is settled. If the client wants to reopen the account in the case client has to again complete the KYC requirement.

In case of online/IBT/Mobile Trading clients:

In reference to SEBI Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2024/4 dated January 12, 2024 and Exchange Circular no. NSE/INSP/60277 dated January 16, 2024 on the subject "Ease of Doing Investments by Investors - Facility of voluntary freezing/ blocking of Trading Accounts by Clients".

The framework for trading members to provide the facility of voluntary freezing/blocking the online access of the trading account to their clients on account of suspicious activities as finalized in accordance with SEBI Circular is mentioned below:

In case of online/IBT/Mobile Trading clients, if any suspicious activity is observed by client in their trading account client can email on email id stoptrade@pluswealth.net for voluntary freezing/ blocking of the online access of its trading account or can contact on office Mobile No: +91-7290070613 via call or SMS for the same from their registered mobile no with us, client needs to verify their UCC, name or 2 Factor Authentication as may be required by our team for verification of genuine request for the same. After verification of identification our team will process request for freeze/block of trading account temporarily.

The timelines for freezing/ blocking of the online access of the clients' trading account is as under: -

Scenario	**Timelines for issuing acknowledgement as well as freezing / blocking of the online access of the trading account.**
Request received during the trading hours and within 15 minutes before the start of trading.	Within 15 Minutes
Request received after the trading hours and 15 minutes before the start of trading.	Before the start of next trading session

Post freezing/ blocking of client's trading account acknowledgement for the above and details of open positions (if any) would be communicated to the client along with contract expiry information within one hour from the freezing/blocking of the trading account and the same will be provided via email id stoptrade@pluswealth.net for above transaction on client's registered email Id and mobile no.

For Re-enabling the client for online access of the trading account, client needs to email from its registered email id on trading@pluswealth.net and **stoptrade@pluswealth.net** for the same and after verification account will be re enabled.

Please note:

a. Freezing/blocking is only for the online access to the client's trading account, and there will be no restrictions on the Risk Management activities of the Trading Member (Pluswealth Capital Management LLP.
b. The request for freezing/ blocking does not constitute request for marking client Unique Client Code (UCC) as inactive in the Exchange records.

8. Deregistering a client: Not withstanding anything to the contrary stated in the agreement, the "Pluswealth Capital Management LLP" shall be entitled to terminate the agreement with immediate effect in any of the following circumstances:

- If the action of the client are prima facie illegal/improper or such as to manipulate the prices of any securities or disturb the normal/proper functioning of securities or disturb the normal/proper functioning of the marketing, either alone or in conjunction with others.
- If there is any commencement of a legal process against the client under any law in force; On the death/lunacy or other disability of the Client;
- If the client being a partnership firm, has any steps taken by the Client and/or its partners for dissolution of the partnership;
- If the Client suffers any adverse material change in his/her/its financial position or default in any other agreement with the "Pluswealth Capital Management LLP".
- If there is reasonable apprehension that the Client unable to pay its debts or the Client has admitted its inability to pay its debts, as they become payable;
- If the Client is in breach of any term, condition or covenant of this Agreement;
- If the Client has made any material misrepresentation of facts, including (without limitation) in relation to the Security
- If a receiver, administrator or liquidator has been appointed or allowed to be appointed of all or any part of the undertaking of the Client;
- If the Client have taken or suffered to be taken any action for its reorganization, Liquidation or dissolution; If the Client has voluntarily or compulsorily become the subject of proceedings under any bankruptcy or insolvency law or being a firm, goes into liquidation or has a receiver appointed in respect of its assets or refers itself to the Board for Industrial and Financial Reconstruction or under any other law providing protection as a relief undertaking, If any covenant or warranty of the Client is incorrect or untrue in any material respect

9. **Inactive Client account**: - Client account will be considered as inactive if the client does not trade for period of Twenty Four months. Calculation will be done at the beginning of every month and those clients who have not traded even a single time will be considered as inactive, the shares/credit ledger balance if any will be unpledged/transfer to the client within one week of the identifying the client as inactive. The client has to make written request for reactivation of their account.

Trading in Exchange is in Electronic Mode, based on leased line, ISDN, Modern and VPN, combination of the technologies and computer systems to place and route orders. Client 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. Client shall be fully liable and responsible for any such problem/fault.

10. **Client Acceptance of Policies and Procedures stated here in above:** Client have fully understood the same and do hereby sign the same and agree not to call into question the validity, enforceability and applicability of any provision/clauses this documents any circumstances what so ever. These Policies and Procedures may be amended/changed unilaterally by the broker, provided the change is informed to me/us with through any one or more means or methods, Client agree never to challenge the same on any grounds including delayed receipt/ non receipt or any other reasons whatsoever. These Policies and Procedures shall always be read always be read along with the agreement and shall be compulsorily referred to while deciding any dispute/difference or claim between me/us and "Pluswealth Capital Management LLP" before any court of law/judicial/adjudicating authority including arbitrator/mediator etc.

11. **Securities in Ban Period in F&O segment**

In compliance of rules laid down by Exchange for Securities in Ban Period in F&O segment, if a client creates position in securities which are in ban period, penalty will be levied for the same. The list of securities in ban period is updated on NSE website on daily basis. The link is as below:
https://www.nseindia.com/products/content/derivatives/equities/sec_ban.htm

12. **Policy for GSM (Graded Surveillance Measures) Securities**

In GSM securities, the Company would be blocking the scrip under GSM from grade II - grade VI. Exchanges has vide their respective circulars have provided for guidelines on GSM securities. In case of explanation required, the client can refer to the same.

In case of newly listed shares, initially they do not have a DPR till the cut–off price determined and hence, the chances for rate fluctuations are higher. Hence, the dealing in newly listed shares will be restricted to the available credit balance after considering the Mark-to-Market (Mark-to- Market) levels.