

Acceptance & Acknowledgment of the enclosed Risk Disclosure Document is mandatory

COMBINED RISK DISCLOSURE DOCUMENT FOR CAPITAL MARKET, FUTURES AND OPTIONS AND CURRENCY DERIVATIVES SEGMENT

This document is issued by the member of the National Stock Exchange of India (hereinafter referred to as "NSE") The Stock Exchange, Mumbai (hereinafter referred to be as "BSE") which has been formulated by the Exchanges in coordination with the Securities and Exchange Board of India (hereinafter referred to as "SEBI") and contains important information on trading in Equities / F&O / Currency Derivatives segments of NSE / BSE. All prospective constituents should read this document before trading in Equities / F&O/ Currency Derivatives Segments of the Exchanges.

NSE / BSE / SEBI does neither singly or jointly and expressly nor impliedly guarantee nor make any representation concerning the completeness, the adequacy or accuracy of this disclosure document nor has NSE / BSE /SEBI endorsed or passed any merits of participating in the trading segments. This brief statement does not disclose all the risks and other significant aspects of trading.

In the light of the risks involved, you should undertake transactions only if you understand the nature of the contractual relationship into which you are entering and the extent of your exposure to risk.

You must know and appreciate that trading in Equity shares, F&O contracts, Currency derivatives contracts or other instruments traded on the Stock Exchange, which have varying element of risk, is generally not an appropriate avenue for some one of limited resources/limited investment and/or trading experience and low risk tolerance. You should therefore carefully consider whether such trading is suitable for you in the light of your financial condition. In case you trade on NSE / BSE and suffer adverse consequences or loss, you shall be solely responsible for the same and NSE / BSE, its Clearing House / Clearing Corporation and/or SEBI shall not be responsible, in any manner whatsoever, for the same and it will not be open for you to take a plea that no adequate disclosure regarding the risks involved was made or that you were not explained the full risk involved by the concerned member. The constituent shall be solely responsible for the consequences and no contract can be rescinded on that account. You must acknowledge and accept that there can be no guarantee of profits or no exception from losses while executing orders for purchase and/or sale of a currency derivative contract being traded on NSE / BSE.

It must be clearly understood by you that your dealings on NSE / BSE through a member shall be subject to your fulfilling certain formalities set out by the member, which may inter alia include your filling the know your client form, client registration form, execution of an agreement, etc., and are subject to the Rules, Bye laws and Regulations of NSE / BSE and its Clearing House / Clearing Corporation, guidelines prescribed by SEBI and in force from time to time and Circulars as may be issued by NSE / BSE or its Clearing House / Clearing Corporation and in force from time to time.

NSE / BSE does not provide or purport to provide any advice and shall not be liable to any person who enters into any business relationship with any trading member of NSE / BSE and/or any third party based on any information contained in this document. Any information contained in this document must not be construed as business advice. No consideration to trade should be made without thoroughly understanding and reviewing the risks involved in such trading. If you are unsure, you must seek professional advice on the same.

In considering whether to trade or authorize someone to trade for you, you should be aware of or must get acquainted with the following:-

## 1. BASIC RISKS

### 1.1 Risk of Higher Volatility:

Volatility refers to the dynamic changes in price that a security / F&O contract / currency derivatives contract undergoes when trading activity continues on the Stock Exchange. Generally, higher the volatility of a security / F&O contract / currency derivatives contract, greater is its price swings. There may be normally greater volatility in thinly traded securities / F&O contracts / currency derivatives contracts than in active securities / F&O contracts / currency derivatives contracts. As a result of volatility, your order may only be partially executed or not executed at all, or the price at which your order got executed may be substantially different from the last traded price or change substantially thereafter, resulting in notional or real losses.

### 1.2 Risk of Lower Liquidity:

Liquidity refers to the ability of market participants to buy and/or sell securities / F&O contracts / currency derivatives contracts expeditiously at a competitive price and with minimal price difference. Generally, it is assumed that more the number of orders available in a market, greater is the liquidity. Liquidity is important because with greater liquidity, it is easier for investors to buy and/or sell securities / F&O contracts / currency derivatives contracts swiftly and with minimal price difference, and as a result, investors are more likely to pay or receive a competitive price for securities / F&O contracts / currency derivatives contracts purchased or sold. There may be a risk of lower liquidity in some securities / F&O contracts / currency derivatives contracts as compared to active securities / F&O contracts / currency derivatives contracts. As a result, your order may only be partially executed, or may be executed with relatively greater price difference or may not be executed at all.

1.2.1 Buying or selling securities / F&O contracts / currency derivatives contracts as part of a day trading strategy may also result into losses, because in such a situation, securities / F&O contracts / currency derivatives contracts may have to be sold / purchased at low / high prices, compared to the expected price levels, so as not to have any open position or obligation to deliver or receive a security / F&O contract / currency derivatives contract.

### 1.3 Risk of Wider Spreads:

Spread refers to the difference in best buy price and best sell price. It represents the differential between the price of buying a security / F&O contract / currency derivatives contract and immediately selling it or vice versa. Lower liquidity and higher volatility may result in wider than normal spreads for less liquid or illiquid securities / F&O contracts / currency derivatives contracts. This in turn will hamper better price formation.

### 1.4 Risk-reducing orders:

The placing of orders (e.g., "stop loss" orders, or "limit" orders) which are intended to limit losses to certain amounts may not be effective many a time because rapid movement in market conditions may make it impossible to execute such orders.

1.4.1 A "market" order will be executed promptly, subject to availability of orders on opposite side, without regard to price and that, while the customer may receive a prompt execution of a "market" order, the execution may be at available prices of outstanding orders, which satisfy the order quantity, on price time priority. It may be understood that these prices may be significantly different from the last traded price or the best price in that security / F&O contract / currency derivatives contract.

1.4.2 A "limit" order will be executed only at the "limit" price specified for the order or a better price. However, while the customer receives price protection, there is a possibility that the order may not be executed at all.

1.4.3 A stop loss order is generally placed "away" from the current price of a stock / F&O contract / currency derivatives contract, and such order gets activated if and when the security / F&O contract / currency derivatives contract reaches, or trades through, the stop price. Sell stop orders are entered ordinarily below the current price, and buy stop orders are entered ordinarily above the current price. When the security / F&O contract / currency derivatives contract reaches the pre-determined price, or trades through such price, the stop loss order converts to a market/limit order and is executed at the limit or better. There is no assurance therefore that the limit order will be executable since a security / F&O contract / currency derivatives contract might penetrate the predetermined price, in which case, the risk of such order not getting executed arises, just as with a regular limit order.

#### 1.5 Risk of News Announcements:

News announcements that may impact the price of stock / F&O contract / currency derivatives contract may occur during trading, and when combined with lower liquidity and higher volatility, may suddenly cause an unexpected positive or negative movement in the price of the security / contract.

#### 1.6 Risk of Rumours:

Rumours about companies / currencies at times float in the market through word of mouth, newspapers, websites or news agencies, etc. The investors should be wary of and should desist from acting on rumours.

#### 1.7 System Risk:

High volume trading will frequently occur at the market opening and before market close. Such high volumes may also occur at any point in the day. These may cause delays in order execution or confirmation.

1.7.1 During periods of volatility, on account of market participants continuously modifying their order quantity or prices or placing fresh orders, there may be delays in order execution and its confirmations.

1.7.2 Under certain market conditions, it may be difficult or impossible to liquidate a position in the market at a reasonable price or at all, when there are no outstanding orders either on the buy side or the sell side, or if trading is halted in a security / F&O contract / currency derivatives contract due to any action on account of unusual trading activity or security / F&O contract / currency derivatives contract hitting circuit filters or for any other reason.

#### 1.8 System/Network Congestion:

Trading on NSE / BSE is in electronic mode, based on satellite/leased line based communications, combination of technologies and computer systems to place and route orders. Thus, there exists a possibility of communication failure or system problems or slow or delayed response from system or trading halt, or any such other problem/glitch whereby not being able to establish access to the trading system/network, which may be beyond control and may result in delay in processing or not processing buy or sell orders either in part or in full. You are cautioned to note that although these problems may be temporary in nature, but when you have outstanding open positions or unexecuted orders, these represent a risk because of your obligations to settle all executed transactions.

2. As far as Futures and Options segment and Currency Derivatives segments are concerned

oncerned, please note and get yourself acquainted with the following additional features:-

### 2.1 Effect of "Leverage" or "Gearing"

In the derivatives market, the amount of margin is small relative to the value of the derivatives contract so the transactions are 'leveraged' or 'geared'. Derivatives trading, which is conducted with a relatively small amount of margin, provides the possibility of great profit or loss in comparison with the margin amount. But transactions in derivatives carry a high degree of risk.

You should therefore completely understand the following statements before actually

trading in derivatives and also trade with caution while taking into account one's circumstances, financial resources, etc. If the prices move against you, you may lose a part of or whole margin amount in a relatively short period of time. Moreover, the loss may exceed the original margin amount.

A. Futures trading involves daily settlement of all positions. Every day the open positions are marked to market based on the closing level of the index / F&O contract / currency derivative's contract. If the contract has moved against you, you will be required to deposit the amount of loss (notional) resulting from such movement. This amount will have to be paid within a stipulated time frame, generally before commencement of trading on next day.

B. If you fail to deposit the additional amount by the deadline or if an outstanding debt occurs in your account, the broker/member may liquidate a part of or the whole position or substitute securities. In this case, you will be liable for any losses incurred due to such close-outs.

C. Under certain market conditions, an investor may find it difficult or impossible to execute transactions. For example, this situation can occur due to factors such as illiquidity i.e. when there are insufficient bids or offers or suspension of trading due to price limit or circuit breakers etc.

D. In order to maintain market stability, the following steps may be adopted: changes in the margin rate, increases in the cash margin rate or others. These new measures may also be applied to the existing open interests. In such conditions, you will be required to put up additional margins or reduce your positions.

E. You must ask your broker to provide the full details of F&O contracts/ currency derivatives contracts you plan to trade i.e. the contract specifications and the associated obligations.

### 2.2 Currency specific risks

1. The profit or loss in transactions in foreign currency-denominated contracts, whether they are traded in your own or another jurisdiction, will be affected by fluctuations in currency rates where there is a need to convert from the currency denomination of the contract to another currency.

2. Under certain market conditions, you may find it difficult or impossible to liquidate a position. This can occur, for example when a currency is deregulated or fixed trading bands are widened.

3. Currency prices are highly volatile. Price movements for currencies are influenced by, among other things: changing supply-demand relationships; trade, fiscal, monetary, exchange control programs and policies of governments; foreign political and economic events and policies; changes in national and international interest rates and inflation; currency devaluation; and sentiment of the market place. None of these factors can be controlled by any individual advisor and no assurance can be given that an advisor's advice will result in profitable trades f

or a participating customer or that a customer will not incur losses from such events.

### 2.3 Risk of Option holders

1. An option holder runs the risk of losing the entire amount paid for the option in a relatively short period of time. This risk reflects the nature of an option as a wasting asset which becomes worthless when it expires. An option holder who neither sells his option in the secondary market nor exercises it prior to its expiration will necessarily lose his entire investment in the option. If the price of the underlying does not change in the anticipated direction before the option expires to an extent sufficient to cover the cost of the option, the investor may lose all or a significant part of his investment in the option.

2. The Exchange may impose exercise restrictions and have absolute authority to restrict the exercise of options at certain times in specified circumstances.

### 2.4 Risks of Option Writers

1. If the price movement of the underlying is not in the anticipated direction, the option writer runs the risks of losing substantial amount.

2. The risk of being an option writer may be reduced by the purchase of other options on the same underlying interest and thereby assuming a spread position or by acquiring other types of hedging positions in the options markets or other markets. However, even where the writer has assumed a spread or other hedging position, the risks may still be significant. A spread position is not necessarily less risky than a simple 'long' or 'short' position.

3. Transactions that involve buying and writing multiple options in combination, or buying or writing options in combination with buying or selling short the underlying interests, present additional risks to investors. Combination transactions, such as option spreads, are more complex than buying or writing a single option. And it should be further noted that, as in any area of investing, a complexity not well understood is, in itself, a risk factor.

While this is not to suggest that combination strategies should not be considered, it is advisable, as is the case with all investments in options, to consult with someone who is experienced and knowledgeable with respect to the risks and potential rewards of combination transactions under various market circumstances.

## 3. GENERAL

### 3.1 Commission and other charges

Before you begin to trade, you should obtain a clear explanation of all commission, fees and other charges for which you will be liable. These charges will affect your net profit (if any) or increase your loss.

### 3.2 Deposited cash and property

You should familiarise yourself with the protections accorded to the money or other property you deposit particularly in the event of a firm insolvency or bankruptcy. The extent to which you may recover your money or property may be governed by specific legislation or local rules. In some jurisdictions, property which has been specifically identifiable as your own will be pro-rated in the same manner as cash for purposes of distribution in the event of a shortfall. In case of any dispute with the member, the same shall be subject to arbitration as per the bye laws/regulations of the Exchange.

3.3 For rights and obligations of the clients, please refer to Annexure-1 enclosed with this document.

3.4 The term 'constituent' shall mean and include a client, a customer or an investor, who deals with a member for the purpose of acquiring and/or selling of cu

rrency derivatives contracts through the mechanism provided by NSE / BSE.

3.5 The term 'member' shall mean and include a trading member, a broker or a stock broker, who has been admitted as such by NSE / BSE and who holds a registration certificate from SEBI.

I hereby acknowledge that I have received and understood this risk disclosure statement and Annexure-1 containing my rights and obligations.

#### ANNEXURE-1

##### INVESTORS' RIGHTS AND OBLIGATIONS:

1.1 You should familiarise yourself with the protection accorded to the money or other property you may deposit with your member, particularly in the event of a default in the Cash Market / F&O market / Currency Derivatives market or the broking firm's insolvency or bankruptcy.

1.1.1 Please ensure that you have a documentary proof of your having made deposit of such money or property with the member, stating towards which account such money or property deposited.

1.1.2 Further, it may be noted that the extent to which you may recover such money or property may be governed by the Bye-laws and Regulations of NSE / BSE and the scheme of the Investors' Protection Fund in force from time to time.

1.1.3 Any dispute with the member with respect to deposits, margin money, etc., and producing an appropriate proof thereof, shall be subject to arbitration as per the Rules, Bye laws/Regulations of NSE / BSE or its Clearing House / Clearing Corporation.

1.2 Before you begin to trade, you should obtain a clear idea from your member of all brokerage, commissions, fees and other charges which will be levied on you for trading.

These charges will affect your net cash inflow or outflow.

1.3 You should exercise due diligence and comply with the following requirements of the NSE / BSE and/or SEBI:

1.3.1 Please deal only with and through SEBI registered members of the Stock Exchange and are enabled to trade on the Exchange. All SEBI registered members are given a registration no., which may be verified from SEBI. The details of all members of NSE / BSE and whether they are enabled to trade may be verified from NSE / BSE website ([www.nseindia.com](http://www.nseindia.com) / [www.bseindia.com](http://www.bseindia.com)).

1.3.2 Demand any such information, details and documents from the member, for the purpose of verification, as you may find it necessary to satisfy yourself about his credentials.

1.3.3 Furnish all such details in full as are required by the member as required in "Know Your Client" form, which may also include details of PAN or Passport or Driving License or Voters Id, or Ration Card, bank account and depository account, or any such details made mandatory by NSE / BSE / SEBI at any time, as is available with the investor.

1.3.4 Execute a broker-client agreement in the form prescribed by SEBI and/or the

Relevant Authority of NSE / BSE or its Clearing House / Clearing Corporation from time to time, because this may be useful as a proof of your dealing arrangement.

ts with the member.

1.3.5 Give any order for buy or sell of a security / derivatives contract in writing or in such form or manner, as may be mutually agreed. Giving instructions in writing ensures that you have proof of your intent, in case of disputes with the member.

1.3.6 Ensure that a contract note is issued to you by the member which contains minute records of every transaction. Verify that the contract note contains details of order number, trade number, trade time, trade price, trade quantity, details of the currency derivatives contract, client code allotted to you and showing the brokerage separately. Contract notes are required to be given/ sent by the member to the investors latest on the next working day of the trade. Contract note can be issued by the member either in electronic form using digital signature as required, or in hard copy. In case you do not receive a contract note on the next working day or at a mutually agreed time, please get in touch with the Investors Grievance Cell of NSE / BSE, without delaying.

1.3.7 Facility of Trade Verification is available on NSE / BSE website ([www.nseindia.com](http://www.nseindia.com) / [www.bseindia.com](http://www.bseindia.com)), where details of trade as mentioned in the contract note may be verified from the trade date up to five trading days. Where trade details on the website, do not tally with the details mentioned in the contract note, immediately get in touch with the Investors Grievance Cell of NSE / BSE.

1.3.8 Ensure that payment of funds against settlement is given to the concerned member within one working day prior to the date of pay-in announced by NSE / BSE or its Clearing House / Clearing Corporation. Payments should be made only by account payee cheque in favour of the firm/company of the trading member and a receipt or acknowledgment towards what such payment is made be obtained from the member.

1.3.9 In case pay-out of funds is not received on the next working day after date of payout announced by NSE / BSE or its Clearing House / Clearing Corporation, please follow up with the concerned member for its receipt. In case pay-out is not received as above from the member within five working days, ensure that you lodge a complaint immediately with the Investors' Grievance Cell of NSE / BSE.

1.3.10 Every member is required to send a complete 'Statement of Accounts', for both settlements and margins, to each of its constituents, at such periodicity as may be prescribed from time to time. You should report errors, if any, in the Statement immediately, but not later than 30 calendar days of receipt thereof, to the member. In case the error is not rectified or there is a dispute, ensure that you refer such matter to the Investors Grievance Cell of NSE / BSE, without delaying.

1.3.11 In case of a complaint against a member, you should address the complaint to the Office as may be specified by NSE / BSE from time to time.

1.4 In case where a member surrenders his membership, NSE / BSE gives a public notice inviting claims, if any, from investors. In case of a claim, relating to "transactions executed on the trading system" of NSE / BSE, ensure that you lodge a claim with NSE / BSE /Clearing House / Clearing Corporation within the stipulated period and with the supporting documents.

1.5 In case where a member is expelled from trading membership or declared a defaulter, NSE / BSE gives a public notice inviting claims, if any, from investors. In case of a claim, relating to "transactions executed on the trading system" of NSE / BSE, ensure that you lodge a claim with NSE / BSE within the stipulated period and with the supporting documents.

1.6 Claims against a defaulter/expelled member found to be valid as prescribed in the relevant Rules/Bye -laws and the scheme under the Investors' Protection Fund (IPF) may be payable as prescribed by SEBI.

Notes:

1. The term 'constituent' shall mean and include a client, a customer or an investor, who deals with a trading member of NSE / BSE for the purpose of buying and / or selling of securities / F&O contracts / currency derivatives contracts through the mechanism provided by NSE / BSE.
2. The term 'member' shall mean and include a member or a broker or a stock broker, who has been admitted as such by NSE / BSE and who holds a registration certificate as a stock broker from SEBI.
3. The term 'contract' refers to a F&O / currency derivatives contract and the term 'underlying' refers to the underlying index / stock / currency of such contract.

#### GENERAL TERMS AND CONDITIONS

##### TERMS & CONDITIONS GOVERNING WEB BASED BROKERAGE TRANSACTION ON ICICIdirect.com

This document contains important information regarding the terms and conditions which apply to your account(s) with:

ICICI Securities Limited (herein after referred to as I-Sec), a member of National Stock Exchange of India Limited and Bombay Stock Exchange Limited ,

1. ICICI Bank Ltd (hereinafter referred to as ICICI BANK or Bank), a Company incorporated under the Companies Act, 1956 and licensed as a banking company under the Banking Regulation Act, 1949 &
2. ICICI BANK LTD (hereinafter referred to as Depository Participant (DP) a Company incorporated under the Companies Act, 1956, and registered as a Depository Participant. (Collectively referred to as ICICI).

Your access to and use of your account(s) and ICICI services are subject to your compliance with all the terms and conditions set forth herein.

##### A. TERMS & CONDITIONS GOVERNING I-Sec

1. Transactions placed in the trading account maintained with I-Sec shall be executed in accordance with the applicable laws, bye laws, rules and regulations governing the specific Investment Product. I-Sec may from time to time impose and vary limits on the orders which the Client/s may place, including exposure limits, turnover limits, limits as to numbers etc. The Client/s agree that I-Sec shall not be responsible for any variation or reduction that may be deemed necessary by I-Sec based on its risk perception and other relevant factors.

2. I-Sec shall cause to be displayed the Terms and Conditions governing the purchase, sale or any other transaction in each of these Investment Products as and when they are introduced. Provided that I-Sec shall be entitled to modify/alter the said Terms and Conditions and such a change shall be displayed on [www.icicidirect.com](http://www.icicidirect.com) so as intimate the modification/alteration to the Client/s. The continued use of the Website by the Client/s shall be deemed to be an acceptance by the Client/s of the modified/ altered Terms and Conditions.

3. I-Sec has satisfied itself about the genuineness and financial soundness of the Client/s based on declarations made by the clients at the time of account opening. Client/s shall ensure that any material change which may have an im-

ct on the Client/s' capacity to transact through I-Sec shall be intimated to it within reasonable time in writing.

4. In the event of an order being annulled by the Exchange(s), I-Sec shall have the right to cancel any/all relative order(s) placed by the Client/s. I-Sec shall take all reasonable steps to make the Client/s aware of the nature of I-Sec's liability for business that it conducts, including any limitations on that liability and its capacity as the Client/s' agent.

#### 5. ORDER EXECUTION

Though orders are usually routed through the marketplace within seconds, certain orders, at the sole discretion of I-Sec, may be subject to manual review and entry, which may cause delays in the processing of their orders. Client/s also understand that with respect to market order, Client/s will receive the price at which their order was actually executed in the marketplace, which may be different from the price at which the security is traded when their order is entered into the I-Sec system.

#### 6. PURCHASE OF SECURITIES

To process orders to purchase securities, it is necessary that the client's account contain buying power before the execution of order. Any order inadvertently accepted and executed without sufficient buying power will be subject to cancellation or liquidation at the discretion of I-Sec. However, Client/s are responsible for all of their orders, including any orders, which exceed available limit in their account. If limits are not available in the account and an order is processed, Client/s should credit the required fund in their Bank Account with ICICI BANK via wire or personal cheque, cashier's cheque or money order or account transfer or by any other mode, promptly to assure that such payment will be received and processed on or prior to settlement date or intimated date, whichever is earlier. If payment is not received by settlement date or intimated date, whichever is earlier, the client's position may be squared off, without prior notification. In the event their account is liquidated, Client/s will be liable for any resulting losses and all associated costs incurred by I-Sec.

#### 7. SALES OF SECURITIES - IN CASH PRODUCT

To process orders to sell securities, it is necessary that Client's accounts contain sufficient Free Securities Balance in the Client/s Demat Account with ICICI prior to the acceptance of a sell order. Proceeds of the sale cannot be paid to Client/s until securities have been delivered to the Exchange/clearing house & Pay Out is received from the Exchange/Clearing House. The proceeds of all sales will be credited to Client/s account directly on settlement date. If the securities are not received on or before settlement date or securities received are not in deliverable state or due to any other reason whatsoever, Client/s are not able to deliver securities, the securities will be Auctioned or closed out as per the rules of the concerned Exchange. Consequently, Client/s will be responsible for any resulting losses and all associated costs including penalty levied by the Exchange. However, if due to internal netting of Client's obligations at I-Sec itself, a Client/s receives short delivery, then I-Sec may buy in the required quantity and deliver the shares to the Client/s or it may credit the buying Client/s who received short delivery with an amount calculated at the rate of the Exchange's weighted average auction price for that scrip on the relevant auction date or any other rate as may be decided by I-Sec and the equivalent amount will be debited to the concerned selling Client, who delivered short. As this being the normal market practice adopted, no further queries/claims will be entertained by I-Sec in this regard.

#### 8. CONFIRMATIONS, STATEMENTS, NOTICES AND OTHER COMMUNICATIONS:

I-Sec shall send the electronic Contract Note/Trade Confirmation of the trades executed on the Client/s behalf on the trade date. Client/s understand that it is their responsibility to review, upon first receipt, whether delivered to Client/s by mail, by e-mail, or other electronic means, all confirmations, statements, notices and other communications, including but not limited to, margin, maintenance calls, and prospectuses. All information contained therein shall be binding upon Client/s, if Client/s do not object, either in writing or via electronic mail, within Twenty Four hours after any such document is sent to Client/s. In all cases, I-Sec reserves the right to determine the validity of Client/s objection to the transaction. Notices and other communications may also be provided to Client/s verbally. Client/s agrees that I-Sec fulfils its legal obligation to deliver to Client/s any such document if sent via electronic delivery. Documents sent by electronic delivery will contain all the information as it appears in the printed hard copy version as prepared and distributed by the originator, with the possible exception of graphic insertions such as photographs or logotypes. Electronic delivery may be in the form of an email, an electronic mail attachment, or in the form of an available download from the web site. Client/s represent that Client/s will download the relevant document promptly after receiving notice of its availability. Should Client/s experience any difficulty in opening a document electronically delivered by I-Sec, Client/s will promptly advise I-Sec in order to allow it to make the required delivery by other means. Failure to advise I-Sec of such difficulty within Forty eight hours after delivery shall serve as an affirmation that Client/s were able to receive and open said document.

#### 9. CALLS FOR ADDITIONAL COLLATERAL AND LIQUIDATION

If it is considered necessary for its own protection, I-Sec may require the Client/s to immediately deposit cash or collateral into their account prior to any applicable settlement date in order to assure due performance of their open contractual commitments. If Client/s do not provide the additional cash or collateral, Client/s hereby understand and acknowledge that I-Sec has the right to sell any or all securities and other property in their account, buy any or all securities and other property which may be short in their account, cancel any or all open orders and/or close any or all outstanding contracts. In addition, Client/s understand and agree that I-Sec may exercise any or all of the above rights without demand for additional cash or collateral, or notice of sale or purchase, or other notice or advertisement. Any such sales or purchases may be made at any time at I-Sec's discretion on any exchange or other market where such business is usually transacted, or at public auction or private sale, or I-Sec may be the purchaser/seller for its own account. It is understood that giving of any prior demand or call or prior notice of the time and place of such sale or purchase shall not be considered as a waiver of I-Sec's legal right to sell or buy without any such demand, call or notice.

#### 10. OTHERS

a. The provisions of the agreement signed between the Client/s and I-Sec shall always be subject to Government notifications, any rules, regulations and guidelines issued by SEBI and Stock Exchange rules, regulations and bye-laws that may be in force from time to time.

b. In the event of death or insolvency of the Client/s or his otherwise becoming incapable of receiving and paying for or delivering or transferring securities which the Client/s has ordered to be bought or sold, I-Sec may close out the

e transaction of the Client/s and the Client/s or his legal representative shall be liable for any losses, costs and be entitled to any surplus which may result therefrom.

c. The agreement entered into between I-Sec and the CLIENT/S shall stand terminated by mutual consent of the parties by giving at least one month written notice. Such cancellation or termination shall not have any effect on transaction executed before the date of such notice of termination and the parties shall enjoy the same rights and shall have same obligations in respect of such transactions.

d. The instructions issued by an authorized representative of the Client/s shall be binding on the Client/s in accordance with the letter authorizing the said representative to deal on behalf of the client.

e. The Stock Exchange may cancel a trade suo-moto without giving any reason thereof. In the event of such cancellation, I-Sec shall be entitled to cancel relative contract(s) with CLIENT.

f. All trades, transactions and contracts are subject to the Rules and Regulations of the Exchange and shall be deemed to be and shall take effect as wholly made, entered into and to be performed in the city of Mumbai and the parties to such trade shall be deemed to have submitted to the jurisdiction of the Courts in Mumbai for the purpose of giving effect to the provisions of the Rules and Regulations of the Exchange.

## B. TERMS AND CONDITIONS GOVERNING THE USE OF MARGIN PRODUCT

### . DEFINITIONS:

In these terms and conditions, unless indicated otherwise, specific words and phrases have the meaning as stated hereunder (arranged alphabetically for ease of reading) and the client confirms having read and understood these words and phrases.

"Account" shall mean the brokerage account of the Client with ICICI Securities Limited which is integrated with his Bank account maintained with ICICI bank and Demat account maintained with ICICI Bank (as Depository Participant).

"Available Margin", shall mean, in case of:

. positions marked in the Client square off mode, margin calculated by multiplying the Current Market Price (CMP) of the security with the position quantity

. positions marked in the Broker square off mode, Margin blocked on position reduced by the Mark to Market loss on the position i.e. Position Price - Current Market Price (CMP) of the security with the position quantity.

In the intraday MTM process, Available Margin is compared with the Minimum Margin amount and additional Margin requirement is arrived at.

"Add Margin" shall mean the option provided to the client to allocate additional margin to his existing open positions under the Facility.

"Additional Margin" shall mean the incremental margin required to safeguard MARGIN positions marked under the Broker as well as Client square off mode (positions taken in the current settlement as well as PendingForDelivery positions) from being squared off in the Intraday MTM process.

"Auto Square Off" shall mean, the act by which I-Sec shall, after the stipulated

time and at its discretion:

a. Square off all such MARGIN positions for which the "Broker Square off" option has been selected and for which the Convert to Delivery option has not been exercised.

b. Square off all such PendingForDelivery positions for which the client has failed to, within the stipulated time, meet his contractual obligation and the incidental charges thereof or for which the Convert to Delivery option has not been exercised.

"Broker Square off" shall mean an option under the facility which marks (either at the time of order placement or during such time as permitted by I-Sec after the trade execution) a transaction or a PendingForDelivery position for AUTOSQUARE after the specified time on the day when the option is chosen. Under this option, with respect to the specified MARGIN positions that are open after the time specified on the said day, the client authorizes I-Sec to square off or to do a CTD (depending on the availability of the requisite funds) of such positions, at its discretion, at any time thereafter.

"Client" shall mean any person who has executed the Client Agreement with I-Sec and Power of Attorney in favour of I-Sec and has an existing and valid Account.

"Client Square off" shall mean the option under the facility to mark a buy transaction (either at the time of order placement or after such time as permitted by I-Sec after the trade execution) as a transaction which the client intends to maintain beyond the current settlement by providing the necessary margins as prescribed by I-Sec from time to time and settle by taking delivery of securities within the regulatorily prescribed time.

"Convert to Delivery Function (CTD)" shall mean an option provided under the facility, on availability of necessary funds, to convert an outstanding Margin Position with I-Sec into a delivery transaction, resulting into the Client taking delivery of securities.

"Facility" shall mean the facility offered by I-Sec to enable the Client to trade in MARGIN against deposit of prescribed margin, which may be in form of cash or securities, as a security to meet Client's obligations arising from Transactions in MARGIN.

"Fresh MARGIN Position" shall mean the position created on execution of a Fresh Order under the Facility.

"Fresh order" shall mean an order placed by the client by which a Fresh MARGIN Position is taken under the Facility.

"Initial margin" shall mean the amount of margin (either in the form of cash or eligible securities) required by I-Sec to be deposited with it by the Client before undertaking Transactions in MARGIN.

"Intraday Mark to Market (MTM) process" (also referred to as Mark to Market Loop) shall mean, the act by which, at any time prior to the stipulated time for Auto Square off, I-Sec shall identify all such MARGIN positions marked under the Broker as well as Client Square off mode (positions taken in the current settlement as well as PendingForDelivery positions) for which the Available margin is below the Minimum Margin and take steps as mentioned in these Terms and conditions, for collecting the required additional margin or squaring off such positions. The intraday MTM process will be run separately for :

1. Buy and Sell positions taken in the current settlement marked under Brok

er square off mode.

2. Buy positions taken in the current settlement marked under the Client Square off mode and separately for PendingForDelivery positions.

"Intraday Margin position", shall mean, Margin positions marked under the Broker Square off mode (fresh positions taken during the day as well as PendingForDelivery positions for which the Client has changed the mode of square off to "Broker square off" during the day).

"Limit" shall mean the unutilized amount, primarily arising from the funds / securities allocated or furnished, available with the Client to submit as Margin for future positions that the Client proposes to take.

"Margin" shall mean the security offered/provided by the Client, whether in form of cash or securities, for due settlement of all the obligations of the Client arising out of or in connection with the Transactions.

"MARGIN positions" shall mean positions taken under this facility.

"Minimum Margin" shall mean the margin amount, as may be prescribed by I-Sec from time to time, that the Client is required to necessarily maintain with ICICI Securities to safeguard his position under the facility from being squared off, by I-Sec in the Intra day Mark to Market process.

"PendingForDelivery Positions", shall mean, such MARGIN Buy position taken in earlier settlements other than the current settlement for which the client has selected the "Client square off" mode and is required to either bring in money to take delivery or square off such positions within the stipulated time.

"Securities" shall mean the equity shares/stocks of the companies in respect of which I-Sec is offering the Facility.

"Transactions" is conduct of trading in the MARGIN product by the client through the website.

"Website" shall mean the website at the URL [www.icicidirect.com](http://www.icicidirect.com), Low Bandwidth Site and other sites maintained by I-Sec from time to time to offer on-line investment and trading in various financial products to the Clients, through different media including but not limited to the Internet, IVR, VSATs, CallNTrade, WAP, physical outlets, kiosks.

#### • PRODUCT FEATURES

MARGIN Product hereinafter referred to as "MARGIN", is a facility offered by I-Sec which allows the Client to take buy/sell positions in stock(s) with the intention of squaring off the position within the same settlement cycle. With respect to BUY transactions, the facility also allows the client to continue with the open MARGIN positions beyond the day in which such position is taken but within the regulatorily permitted time and take delivery by making the necessary funds settlement or square up such positions.

The Client agrees that the Client would not be able to apply this Facility for an existing position/order taken by the Client as per the terms & Conditions of any other product through I-Sec.

MARGIN orders will be allowed only if the order prices are within the daily price range decided by the Exchange and within the daily price range as decided by I-Sec, if any, from time to time. If the order price is not within the above price range, such Fresh order(s) would be rejected.

The client understands that, under the facility, Buy transactions will have an additional order placement feature which will permit the client to choose the mode in which such transaction can be settled. The two options that will be available to the Client for all MARGIN Buy transactions will be:

a) The "Broker square off" mode.

OR

b) The "Client square off" mode.

The client understands that all MARGIN sell orders under the facility will, by default, be marked under the "Broker square off" mode.

a) BROKER SQUARE OFF

The client understands that by marking a MARGIN Buy position under the "Broker square off" mode, the client identifies the position as an intraday position, to be squared off in the same settlement, prior to the stipulated time. The client understands that if positions marked for "Broker square off" are neither squared off nor Converted to Delivery by the Client within the stipulated time on the particular day, I-Sec shall, at its discretion after the stipulated time square off such positions in the AUTO SQUARE OFF process or exercise the option of Convert to Delivery for such positions.

b) CLIENT SQUARE OFF

The client understands that MARGIN BUY positions marked under the "Client square off" mode will be permitted to be kept open for settlement by way of delivery of securities. The client understands that the positions will be permitted to be continued only till the regulatorily stipulated time and upon fulfillment of the necessary Margin requirements as specified by I-Sec for the particular scrip from time to time. The client agrees that I-Sec may stipulate a shorter time than the regulatorily prescribed time for taking the delivery thereof. I-Sec reserves the right to modify the time at its discretion.

The client understands that securities purchased by the Client which are pending to be settled can be viewed by the Client on the 'Pending for delivery" page of his [www.icicidirect.com](http://www.icicidirect.com) account.

The client understands that fresh orders in a security will not be permitted:

i. In any other Cash Segment product, unless all pending MARGIN orders marked under the Client square off mode in that security, are cancelled and vice versa.

ii. In any other Cash Segment product, unless all open PendingForDelivery positions in the security are squared off or are Converted to Delivery and settled by delivery of securities prior to placing the order.

iii. In the MARGIN product, under the Client Square off mode, if there are unsettled transactions in any other Cash Segment product. Unsettled transactions shall mean, such transactions for which securities Payin /Payout is pending to be done.

The client understands that if he has already placed a MARGIN buy order or has a position under the "Client square off" mode in a security on a day, the client will not be permitted to place subsequent orders in the "Broker square off" mode in the same security and vice versa. However, the client will be provided the o

ption of changing the square off mode of all the open positions to "Broker Square off" after which fresh orders in that security can be placed under the "Broker Square off" mode and vice versa.

The client understands that change in the square off mode from "Broker Square Off" to "Client Square off" for margin positions will not be permitted if the client has pending orders or unsettled transactions in any other Cash Segment product in that security.

The client further understands that "Convert to Delivery" option for Intraday Margin Positions in a security will not be permitted unless the client squares off or Converts to Delivery all PendingForDelivery positions in that security.

With respect to every PendingForDelivery position, the Client will have the following options under the facility:

- i. Switch the square off mode to "Broker square off" on any day during the period when the MARGIN Buy position is permitted to be kept open. The option can be exercised only prior to the trigger of the AUTO SQUARE OFF process on a given day.
- ii. Make additions to the margin amount on a position anytime prior to the trigger of the AUTO SQUARE OFF process on the last day till the position(s) is/are permitted to be kept open by I-Sec.
- iii. Exercise the option of Convert to Delivery (subject to availability of funds to meet the contractual obligations for the position) anytime till the last day the position(s) is/are permitted to be kept open by I-Sec.

The client understands that the Square off option or the Convert to Delivery option for PendingForDelivery positions can be exercised in the chronological order in which they were created; ie open positions of an earlier settlement have to be closed first; only after which open positions in the later settlements will be permitted to be closed.

The client understands that after the AUTO SQUARE OFF process for the day has been triggered the following will not be permitted for the said trade day:

- i. Fresh MARGIN orders under the Broker Square off mode
- ii. Change in the mode of square off of the MARGIN positions

The client agrees that, securities purchased by the client shall be retained either partly or fully by I-Sec in its demat account until the client fulfills the contractual obligation for the respective BUY transaction in which the securities are bought. On settlement of the contractual obligations, the securities will be delivered to the linked Demat account of the client.

If the client fails to make the necessary Funds PAYin by the stipulated time, the securities will be sold by I-Sec, at its discretion, in the subsequent settlement(s) for the purpose of settling the outstanding amount.

The client agrees that there can be a short delivery of securities from the Exchange for the PendingForDelivery transaction. For such transactions, the Exchange would either give delivery of shares through market auction or shall closeout the buy transactions as per the Exchange Regulations. All costs and consequences, if any, arising out of such auction or close out shall be fully borne by the client and I-Sec would not be held responsible for any such short delivery received by the client and the consequential impact thereof.

The Client confirms that he is aware of the charges and other statutory levies as are prevailing and as they apply to the facility. The schedule of charges would be provided to the Client, by displaying such schedule on the Website. The schedule of charges would be subject to change by I-Sec and statutory levies may change from time to time and client agrees and accepts to comply by these charges.

#### RISK MANAGEMENT

The client agrees that I-Sec shall have the discretion to select securities that will be enabled for trading under the Facility.

The client agrees that I-Sec may require the client to provide such margin (in such form and manner as acceptable to I-Sec) depending on the security and market volatility as it deems fit in its sole discretion as necessary for risk mitigation. This margin requirement may be more than the margin prescribed by the stock exchanges. Margin may be taken in cash or in the form of securities as may be acceptable to I-Sec. In the event the client offers securities as margin to I-Sec, then the Terms and conditions as mentioned under "MARGIN SECURITIES" elsewhere in this Terms and conditions shall apply.

The Client agrees that I-Sec may at its sole discretion, change the margin requirement on the Transactions, in which the Client has taken or proposes to take positions depending on its own risk mitigation measures and without intimating or consulting the client. Due to increased volatility in the prices, the margin requirement may be increased and in such event the Client undertakes to allocate additional funds/securities to continue with the open position. If such Margin requirement is not met, the position may come in MTM loop and may be squared off by I-Sec due to insufficient Margin. The Client undertakes to maintain sufficient Limit in the Equity segment to safeguard the open position from being squared off or pending orders being cancelled.

The Client agrees that under the Facility, Margin shall be blocked at the time of order placement after taking into account the current market price / weighted average price. For market orders, margin shall be blocked considering the order price as the last traded price of the security. In the event the actual trade execution takes place at a price different from the price at which the Margin was blocked, the required Margin would then be re-calculated and the limits would be blocked at the actual Traded Price. In case of order modification also, the required Margin shall be re-calculated and excess margin, if any, shall be released or additional margin needed, if any, will be blocked. In case the available Margin with I-Sec is insufficient, then the order modification request would get rejected.

The Client understands that the Client's positions are continuously monitored and the Client agrees to provide Margin (including additional Margin) as may be determined by I-Sec from time to time.

The Client understands that securities enabled under the facility are continuously tracked and if, during the day, the last traded price for any security moves above or below its previous trading day closing price at such percentage as may be prescribed by I-Sec from time to time, the security will be disabled from further trading in the margin segment for that day. Further, the client understand that if the security is in positive compared with the previous trading day closing price then, for that security, all pending margin sell orders (Broker square off mode) will be cancelled and all Margin sell positions (Broker Square off mode) will be squared off at market price.

Similarly, if, during the day, a security is in negative compared with the previous trading day closing price then, for that security, all pending margin buy orders (Broker square off mode) will be cancelled and all Margin buy positions (Broker Square off mode) will be squared off at market price.

The Client understands that the Intraday MTM process will be run on a daily basis at predetermined intervals, prior to the stipulated time for the AUTO SQUARE off process. The Client understands that the Intraday MTM process is run separately for the MARGIN positions marked under the Broker and Client Square off mode (positions taken in the current settlement) and the PendingForDelivery positions.

I-Sec reserves the right to decide the timing and frequency for running the Intraday MTM process.

The client confirms that he has read and understood the modalities of the Intraday MTM Process as mentioned herein below and as posted on the website in the form of Frequently Asked Questions (FAQs). The client understands and agrees that I-Sec shall be entitled to modify/alter/update the said FAQs and such a change shall be displayed on the website. The continued use of the Facility by the Client shall be deemed to be an acceptance by the Client that he has read and understood the modified/altered FAQs.

In the Intra-day MTM process, if it is observed that the Available Margin on the position has fallen below the Minimum Margin required, I-Sec would block additional Margin required from the Limits available. In case Limits are not sufficient to meet the additional Margin requirements then I-Sec may place a square off order at market rate to close the position. However, before placing the square off order all pending MARGIN orders in that particular mode i.e Broker or Client Square off mode in that security may be cancelled by I-Sec.

If the available Limit is not sufficient to meet the demand for additional Margin, I-Sec may close out the open position taken by the Client and the Client shall be solely responsible for any losses arising on account of the same. I-Sec shall not be liable for making a demand for Margin or otherwise inform the Client that the Margin has fallen below the required level and it shall be the responsibility of the Client to regularly monitor and review the Margin availability and furnish the additional Margin to I-Sec. I-Sec reserves the right to close out the open position at any time (without consulting the Client) in case the Client does not satisfy the additional Margin requirements. The Client shall maintain sufficient Limit to provide Margin as and when required by I-Sec.

Due to MTM and blocking of Additional Margin, Limits may become lesser over a period of time and because of the same, positions may fall in the MTM loop and may get squared off unless the Client provides fresh Limits.

The Client hereby undertakes to allocate additional Margin voluntarily, on any open position and make available sufficient Margin against the position to avoid square off of the position by I-Sec.

The client understands that additional Margin can be added to an open position by using the "Add Margin" option under the facility.

The Client understands that margin amount on the PendingForDelivery positions, whether allocated by the client himself or by the system in the MTM processes, will be debited/blocked by I-Sec from/in the Client's linked Bank account on a daily basis.

The client understands that if he fails to provide the necessary amount for meeting the Additional Margin requirement for PendingForDelivery positions during the

e period it is being carried forward or the Payin amount needed to enable delivery of securities within the stipulated time, I-Sec would have the discretion to square off the open position in the AUTO SQUARE OFF process, after the stipulated time.

The Client understands that the AUTO SQUARE OFF process would be run at a predetermined time for every settlement and would be run separately for Intraday MARGIN Positions and the PendingForDelivery positions. In the AUTO SQUARE OFF process, I-Sec shall, at its discretion:

- a) In case of Intraday MARGIN positions, square off all the existing positions marked for "Broker square off" which are neither squared off nor Converted to Delivery by Client within the stipulated time.
- b) In case of PendingForDelivery positions, square off all such positions for which the permitted period for keeping the position open has expired and which have neither been squared off nor Converted to Delivery by Client within the stipulated time. Further, positions whose mode was changed from Client to Broker from the PendingForDelivery book such positions will also get squared off in the EOS run on that day.

The Client agrees that I-Sec would not be liable in the event for reasons including but not limited to lack of adequate offered quantity, the entire quantity of the square off order placed by the client is not fully executed upto the Limit Price. In such a scenario, I-Sec would, at the time of the AUTO SQUARE OFF process, cancel these unexecuted square off orders and place square off orders at Market prices so that such orders can be squared off immediately at market prices. Any loss arising out of such square off would be fully borne by the Client. In case any Intraday MARGIN positions remains open at the end of the day, I-Sec shall have the discretion to exercise the option of Convert to Delivery on these open positions

I-Sec shall have the sole discretion to decide upon the frequency and timing of the AUTO SQUARE OFF process.

The client understands that the timing of the AUTO SQUARE OFF process is different in the case of Intraday MARGIN positions as against the PendingForDelivery positions. The client confirms that he has read and understood the modalities of the AUTO SQUARE OFF and EOD MTM process as mentioned herein below and as posted on the website in the form of FAQs. The client agrees that I-Sec shall be entitled to modify/alter/update the said FAQs and such a change shall be displayed on the website. The continued use of the Facility by the Client shall be deemed to be an acceptance by the Client that he has read and understood the modified/updated FAQs.

The Client agrees that I-Sec would have the discretion to square off, without giving any notice, the client's position under the facility in following circumstances:

- i. In case of Intraday MARGIN positions marked under the "Broker square off" mode, if the open position is neither squared off nor converted to Delivery by the Client within the stipulated time.
- ii. All Intraday MARGIN Sell positions marked under the Broker Square off mode in a particular security (security in which Client square off mode is disabled) if the last traded price for that security moves 16% (or such percentage as maybe specified by I-Sec from time to time) above its previous trading day closing price.
- iii. All Intraday MARGIN Buy positions marked under the Broker Square off mode in a particular security (security in which Client square off mode is disabled) if the last traded price for that security moves 16% (or such percentage as maybe specified by I-Sec from time to time) below its previous trading day closing

price.

iv. In case of positions (Broker as well as Client square off mode), if the Available Margin in any security has fallen below the Minimum Margin and the Client has not taken any steps either to replenish the margin or square up the open position.

v. All other cases where the margin or security placed by the Client falls short of the requirement or where the limits given to the Client has been breached or where the Client has defaulted on his existing obligation

Client agrees that although the auto square off trigger point is pre-defined, subsequent to which I-Sec could exercise its discretion to carry out the square off within a reasonable period of time, the actual execution could happen at a price different from the trigger point and the Client agree to bear the loss based on actual executed price. I-Sec shall also have the right to cancel any or all open orders and/or close any or all outstanding positions. Client understands that in case the AUTO SQUARE OFF does not take place due to any reason whatsoever, I-Sec shall, at its discretion, exercise the option of CTD (Convert to Delivery).

If CTD also fails due to non-availability/shortage of:

i. Securities in the linked demat account, then for the open sale position, the Client will have to face auction or close out as per the rules of the concerned Exchange.

ii. Funds in the linked bank account, then for the open buy position, the shares will not be delivered to the Client and I-Sec will liquidate the shares any time.

Consequently, the Client will be responsible for any resulting losses, brokerage and all associated costs including penalty levied by the Exchange.

a) EOD MTM PROCESS

The Client understands that the End of Day Mark to Market (EOD MTM) Process will be run on a daily basis for all PendingForDelivery positions. The process will be run security-wise for each client, in which all PendingForDelivery positions of the client in various settlements will be cumulated and considered as a single unit for further processing in the EOD MTM activity. Under the process, the system will compare the security-wise cumulative Available Margin against the cumulative Minimum Margin requirement for the PendingForDelivery positions in that security. If the security-wise Cumulative Available Margin is less than the security-wise Cumulative Minimum Margin required across all the positions in that security, Additional margin requirement will be calculated for such security. The Additional Margin will be blocked from the allocated amount and Limits shall be reduced by the amount so blocked.

b) CALLS FOR ADDITIONAL COLLATERAL AND LIQUIDATION

If it is considered necessary for its own protection, I-Sec may require the Client to immediately deposit cash or collateral into their account prior to any applicable settlement date in order to assure due performance of their open contractual commitments. If the Client does not provide the additional cash or collateral, the Client hereby understands and acknowledges that I-Sec has the right to sell any or all securities and other property in their account, buy any or all securities and other property which may be short in their account, cancel any or all open orders and/or close any or all outstanding contracts. In addition, the Client understands and agrees that I-Sec may exercise any or all of the above rights without demand for additional cash or collateral, or notice of sale or purchase, or other notice or advertisement. Any such sales or purchases may be made a

t any time at I-Sec's discretion on any exchange or other market where such business is usually transacted, or at public auction or private sale, or I-Sec may be the purchaser/seller for its own account. It is understood that giving of any prior demand or call or prior notice of the time and place of such sale or purchase shall not be considered as a waiver of I-Sec's legal right to sell or buy without any such demand, call or notice.

#### **. OTHER RIGHTS OF ISEC UNDER THE FACILITY**

I-Sec, at its sole discretion, reserves the right to either temporarily or permanently, withdraw or suspend the Facility at any time without giving any notice or assigning any reason for the same, whether in respect of one or more Clients. In case of a temporary withdrawal, the privileges may be reinstated by I-Sec at its sole discretion.

I-Sec shall decide upon the list of Securities in which the Clients would be permitted to take Fresh MARGIN Positions under the Facility. This list of Securities would be provided to the Client, by displaying such list on the Website. Such list of Securities would be subject to change by I-Sec from time to time. I-Sec may also at its sole discretion decide to withdraw a particular security from the list without notice to the clients and without assigning any reasons whatsoever.

I-Sec shall decide upon the Security specific Margin applicable for taking Fresh MARGIN Positions in various Securities under the Facility. I-Sec reserves the right to alter the Security specific Margin applicable for a Security without notice to the Client and without assigning any reasons whatsoever. The Security-specific Margin rates, would be provided to the Client, by displaying such list on the Website

The Client agrees that in case of insufficient Limits, to safeguard its interest I-Sec may, at its discretion, block and debit any unallocated funds lying in Client's Bank Account integrated with the Account and /or debit securities lying in Client's demat account integrated with the Account towards dues recoverable from the client.

No delay in exercising or omission to exercise any right, power or remedy accruing to I-Sec upon any default by the Client or otherwise under this Agreement or the Client Agreement shall impair any such right, power or remedy or shall be construed to be a waiver thereof or any acquiescence in such default, nor shall the action or inaction of I-Sec in respect of any default or any acquiescence by it in any default, affect or impair any right, power or remedy of I-Sec in respect of any other default. The rights of I-Sec under these Terms and Conditions and the Client Agreement are cumulative and not exclusive of their rights under the general law and may be waived only in writing and specifically and at the sole discretion of I-Sec.

#### **. CLIENT AUTHORISATIONS AND INDEMINITIES**

The Client agrees and undertakes to provide I-Sec with all the documents and particulars, which may be required by I-Sec, pursuant to the Client availing of this Facility.

The use of this facility is entirely voluntary and the facility has to be used in accordance with the applicable rules/ regulations/ guidelines specified by the Securities and Exchange Board of India and other competent authorities from time to time. I-Sec disclaims all liability for any loss caused to the Client out of the purchase or sale of securities through use of this facility.

The Client agrees that the Frequently Asked Questions (FAQs) for the MARGIN faci

lity, as posted on the site, are an integral part of this Terms and Conditions. The client acknowledges as having read and the understood these FAQs.

The Client hereby directs and authorises ICICI Bank Limited as the Depository Participant to act on the directions given by I-Sec pursuant to the terms and conditions mentioned herein, power of attorney and Client Agreement executed by the Client in favour of/with I-Sec.

The Client hereby agrees and undertakes not to hold ICICI Bank Limited (Depository Participant), I-Sec and ICICI Bank Limited (the bank) liable for any claim, action, grievance or dispute that the Client may suffer and shall indemnify and save harmless ICICI Bank Limited (Depository Participant), I-Sec and ICICI Bank Limited (the bank) from any claim, action, dispute or grievance that any third party may have, on account of ICICI Bank Limited (Depository Participant), I-Sec and/or ICICI Bank Limited (the bank) having acted in pursuance of the directions and/or authorisations of the Client and/or I-Sec.

Under no circumstances shall I-Sec be liable to the Client for indirect, incidental, consequential, special or exemplary damages arising from or in connection with the Facility provided to the Client, even if I-Sec have been advised of the possibility of such damages, such as, but not limited to, loss of revenue or anticipated profits or lost business.

The Client agrees and understands that the client shall, at all times, be responsible for the client's investment decisions and/or orders placed, or applications preferred by the Client, either electronically or otherwise. ICICI Securities shall not be deemed to have received any electronically transmitted order or application until ICICI Securities has confirmed the receipt of such an order or application. The client further understands that trading through [www.icicidirect.com](http://www.icicidirect.com) is in electronic mode, based on satellite/leased line based communications, combination of technologies and computer systems to place and route orders. Thus, there exists a possibility of communication failure or system problems or slow or delayed response from system or trading halt, or any such other problem/glitch whereby not being able to establish access to the trading system/network, which may be beyond control and may result in delay in processing or not processing buy or sell orders either in part or in full. The client understands and agrees that although these problems may be temporary in nature, in case when the client has outstanding open positions or unexecuted orders, these represent a risk because of the client's obligations to settle all executed transactions. The Client understands that placing an order with ICICI Securities, either electronically or otherwise, does not guarantee execution of the said order or acceptance of an application. The Client shall not hold, nor seek to hold, ICICI Securities and/or any of its officers, directors, employees, agents, subsidiaries or affiliates, liable for any loss including but not limited to trading losses incurred by the Client due to exchange or market regulation, suspension of trading, war, strike, equipment failure, communication line failure, system failure, security failure on the Internet, unauthorised access, theft, or any problem, technological or otherwise, or other condition beyond the control of ICICI Securities that might prevent the Client from entering an order or ICICI Securities, from executing an order.

#### C. MARGIN SECURITIES

The Margin Securities would constitute the security towards due performance of the Client's obligations, commitments, operations, obligations and liabilities arising out of or incidental to any Transactions made, executed, undertaken, carried out or entered into by the Client.

The Client undertakes that the Margin Securities shall be owned by the Client and shall be free of any charge, lien or other encumbrances at the time of offerin

g the same towards margin to ICICI Securities.

The Client agrees that the Client shall furnish additional Margin Securities as may be required by ICICI Securities from time to time.

The Client agrees that the Client shall not, without ICICI Securities' prior written permission, create any charge, lien or encumbrance of any kind over the Margin Securities offered to ICICI Securities and further that, the Client shall not do or allow anything to be done that may prejudice the interest of ICICI Securities in respect of the Margin Securities while the Client remains liable to ICICI Securities, in any manner whatsoever, without the prior written permission of ICICI Securities.

1. POWER OF ATTORNEY:

The Client agrees and acknowledges that pursuant to the Power of Attorney executed by the Client in favour of ICICI Securities, ICICI Securities shall be entitled to submit necessary documents on behalf of the Client to ICICI Bank Limited, acting as the Depository Participant, for enabling the Depository to mark a pledge in favour of ICICI Securities in respect of the Margin Securities and also submit further documents on behalf of the Client to request the Depository to remove the pledge created with respect of the Margin Securities.

ICICI Securities shall also be entitled to give such instructions to ICICI Bank Limited acting as the Depository Participant to block/mark a lien on the Margin Securities offered by the Client and upon such instructions, the Client shall not be able to deal or trade in such Margin Securities without consent of ICICI Securities.

2. ENFORCEMENT OF SECURITY:

If in the opinion of ICICI Securities, the Client has failed to perform and/or failed to fulfill any of its engagements, commitments, operations, obligations or liabilities as a Client of ICICI Securities including for any sums being due by him to ICICI Securities or to any other party arising out of or incidental to any Transactions made, executed, undertaken, carried out or entered into by it or in terms of regulations, laws, rules governing ICICI Securities or the Client in this behalf, then the Client agrees that ICICI Securities without giving any notice to the Client, shall be empowered/entitled to invoke pledge, sell, dispose of or otherwise effect any transfer of any or all of the Margin Securities in such manner and subject to such terms and conditions as it may deem fit and that the money realized, if any, from such sale/disposal/transfer subject to dues payable to ICICI Securities for such sale/ disposal/or other transfer shall be utilized/disbursed by ICICI Securities in such manner and subject to terms and conditions as it may deem fit. Further, the Client shall do all such things, deeds, acts and execute all such documents as are necessary to enable ICICI Securities to effect such sale/disposal/ transfer. All decisions by ICICI Securities in respect of the obligations or liabilities or commitments of the Client and the amount claimed in respect thereof shall be binding on the Client. The Client agrees that ICICI Securities shall not be under any liability whatsoever to the Client or any other person for any loss, damage, expenses, costs etc, either actual or nominal, consequent to such sale/disposal/ transfer.

If the total amounts realized from such sale/disposal/transfer is insufficient to fulfill the Client's engagements, commitments, operations, obligations or liabilities in entirety, the Client shall, forthwith and without demur, upon being requested by ICICI Securities, furnish the balance amount together with interest at such rate as decided by ICICI Securities and for costs and expenses from time to time. ICICI Securities shall also have the right to sell/dispose/ transfer any other securities of the Client, at the cost of the Client and without intimat-

ion to the Client.

The Margin Securities shall be at the disposal of ICICI Securities and remain available in respect of the obligations, liabilities or commitments of the Client and may be utilized with the discretion of ICICI Securities.

The Client agrees that ICICI Securities shall be entitled to sell, pledge, deal with or otherwise transfer the Margin Securities to any third party, including the Clearing Corporation/House of the respective exchanges and declare to the third party that all the Margin Securities are being provided to such parties as securities being the unencumbered, absolute and disposable property of ICICI Securities and free from any prior charge, lien or encumbrance, and to execute transfer documents and/or any other necessary documents, wherever applicable or other endorsements for this purpose. ICICI Securities shall be entitled to receive from the Client all costs, charges, expenses incurred by ICICI Securities for the aforesaid purposes as well as any consent, ratification or the like which shall not be withheld or delayed for any reason and in case of failure of which ICICI Securities is hereby permitted and authorized to provide the same for and on behalf of the Client.

Further that it is hereby agreed that benefits such as dividends, bonus, redemption benefits, interest accruing on the Margin Securities during the period of transfer except post invocation of the pledge in favour of ICICI Securities or selling or disposing or otherwise effecting any transfer of the Margin Securities above shall accrue to the Client and the Client shall be entitled to receive the same from ICICI Securities.

The Client agrees that the Margin Securities shall continue to be available to ICICI Securities under the facility and the same shall not be affected in any manner whatsoever by any action by ICICI Securities against the Client including suspension or termination of any of the Account with ICICI Securities or of the facility.

#### D. TERMS AND CONDITIONS GOVERNING THE USE OF WEB BANKING SERVICE

##### 1. DEFINITIONS

Web Banking is ICICI BANK'S Internet Banking Service, which provides access to a account information, products and other services as advised by ICICI BANK from time to time to its Client/s through the Internet. The words Web Banking and Web Banking Service are used interchangeably in this document. Web Banking Account refers to the Client/s' account so designated by ICICI BANK to be eligible account (s) for operations through the use of Web Banking. One of these accounts will be designated as primary account. All other accounts (if any) of the Client/s will be called Secondary Account(s). The Client/s should be the first holders and sole signatories. An account in the name of a minor or an account, in which a minor is a joint account holder, is not eligible to be a Web Banking Account. Personal Information refers to the information about the Client/s obtained in connection with the WEB Banking Service. Terms refer to Terms and Conditions for use of Web Banking as specified in this document. In this document, all references to the Client/s being referred in masculine gender will also include the feminine gender.

2. ICICI BANK shall endeavor to provide the Client/s through Web Banking, services such as balance enquiry for their account, transaction details, statement of account, cheque-book request, request for transfer of funds between accounts of the same Client/s and such other facilities as ICICI BANK may decide to provide from time to time. These facilities shall be offered in a phased manner at the discretion of ICICI BANK. ICICI BANK may also make additions/deletions to the services offered through Web Banking at its sole discretion. The availability/

non-availability of a particular service shall be intimated to the Client/s through e-mails and/or on the webpage of the ICICI BANK or may be displayed on the Website.

3. ICICI BANK shall take reasonable care to ensure security of and prevent unauthorised access to the Web Banking Service, using technology, reasonably available to it.

4. ICICI BANK shall allot the Client/s a Client/s'-Identification and a secret password or require the usage of digital signature while opening his account. The Client/s will be required to change the password assigned by ICICI BANK on accessing Web Banking for the first time. ICICI BANK will not be liable in any case wherein the Client/s have not changed their password after it has first been issued to them. As a safety measure the Client/s shall change the password as frequently thereafter as possible.

5. The Client/s shall at all times comply with such directions/instructions as may be issued by ICICI BANK, including but not limited to the maintenance of a minimum balance in the account, payment of service charges, etc. ICICI BANK may, in its sole discretion, levy penal charges for non-maintenance of the minimum balance as stipulated from time to time. Any change in the fees shall be notified on ICICI BANK'S website or by email 15 days prior to the changes taking effect. The Client/s authorise ICICI BANK to recover all charges related to Web Banking as determined by it from time to time by debiting the Client/s' accounts.

6. All transactions to be executed through the Client/s' accounts shall be subject to the availability of sufficient funds and ICICI BANK shall not be liable for any omission to make all or any of the payment or for late payment due to circumstances beyond the reasonable control of ICICI BANK.

7. The Client/s are responsible for the accuracy of information supplied to ICICI BANK through the use of Web Banking or through any other means such as electronic mail or written communication. ICICI BANK accepts no liability for the consequences arising out of erroneous information supplied by the Client/s. If the Client/s suspect that there is an error in the information supplied to ICICI BANK by them or notice an error in the information supplied to them through Web Banking then they shall intimate ICICI BANK as soon as possible and ICICI BANK shall endeavor to correct the same, wherever possible, on a 'best efforts' basis.

8. The Client/s shall be liable for any loss caused to ICICI BANK due to any unauthorised transactions in the Web Banking account if they have breached any of the terms of usage of Web Banking or contributed or caused the loss in any manner. Provided that nothing contained herein shall be construed in such a manner so as to hold the Client/s liable for any unauthorised transactions occurring through the use of Web Banking that is attributable, after a due enquiry, to the fraudulent or negligent conduct of employees of ICICI BANK.

9. ICICI BANK shall under no circumstances be held liable by the Client/s in case of Web Banking access not being available in the desired manner for reasons including but not limited to natural calamity, floods, fire and other natural disasters, legal restraints, faults in the telecommunication network or Internet or network failure, software or hardware error or any other reason beyond its control. Under no circumstances shall ICICI BANK be liable for any damages whatsoever whether such damages are direct, indirect, incidental, consequential and irrespective of whether any claim is based on the loss of revenue, investment, production, goodwill, profit, interruption of business or any other loss of any character or nature whatsoever and whether sustained by the Client/s or any other person.

10. The Client/s agree that the ICICI Bank or its representatives/contractor

s may hold and process their Personal Information on computer or otherwise in connection with Web Banking services as well as for statistical analysis and credit scoring. The Client/s also agree that ICICI Bank may disclose, in strict confidence, to other institutions, such Personal Information as may be reasonably necessary for reasons inclusive of, but not limited to, the following: For participation in any telecommunication or electronic clearing network; In compliance with a legal directive; For credit rating by recognised credit scoring agencies; and/or For fraud prevention purposes.

11. ICICI Bank shall have the right of set-off, irrespective of any other lien or charge, present as well as future on the deposits held in the Client/s' Primary account(s), whether in single name or joint name(s), to the extent of all outstanding dues, whatsoever, arising as a result of the Web Banking Service extended to and/or used by the Client/s.

12. The Client/s acknowledge that the software underlying the Web Banking Service as well as other Internet related software which are required for accessing Web Banking are the legal property of the respective vendors and the Client/s shall not attempt to modify, translate, disassemble, decompile or reverse engineer the software underlying the service. The permission given by ICICI BANK to access Web Banking shall not convey any proprietary or ownership rights in the above software.

13. An order inadvertently processed, in spite of insufficient balances in the Client/s' bank account or the account maintained with ICICI BANK (DP) shall at I-Sec's sole discretion be subject to cancellation or liquidation. However, the Client/s shall be responsible for all their orders, including any orders, which exceed the available limits in their account. The Client/s shall credit the required fund to their bank accounts with ICICI BANK promptly to ensure that the payment shall be received and processed on or prior to the settlement date or a date intimated by I-Sec, whichever is earlier. If the payment is not received as aforesaid, then I-Sec may square off the same without any prior intimation to the Client/s. In the event of liquidation of the account, the Client/s shall be liable for any resulting losses and all associated costs incurred by I-Sec. An order cancelled by the Exchange without giving any reason for the same shall entitle I-Sec to cancel the relative contract(s) with the Client/s.

#### 14. APPLICABILITY OF TERMS

These Terms form the contract between the Client/s and the ICICI BANK. By applying for Web Banking and accessing the service the Client/s acknowledge and accept these Terms. These Terms will be in addition to and not in derogation of the terms and conditions relating to any account of the customer.

#### 15. WEB BANKING ACCESS

In addition to Client/s'-Id and Password ICICI BANK may, at its discretion, advise the Client/s to adopt such other means of authentication including but not limited to digital certification and/or smart cards. The Client/s shall not attempt or permit others to attempt accessing the account information stored in the computers of ICICI BANK through any means other than the Web Banking Service.

#### 16. JOINT ACCOUNTS

The Web Banking Service will be available in case of joint accounts only if the mode of operation is indicated as 'either or survivor' or 'anyone or survivor'. For these joint accounts one Web Banking Client/s-Id will be issued to the first holder. The other joint account holder(s) shall expressly agree with this arrangement and give their consent on the application form for use of Web Banking. In case any of the joint account holder(s) give "stop payment" instructions in respect of operations through the use of (or in writing), on any of the Web Banking accounts held jointly by them, the Web Banking Service will be discontinued for the Client/s.

17. MINIMUM BALANCE AND CHARGES

ICICI BANK may withdraw the Web Banking facility, if at any time the amount of deposit falls short of the required minimum as aforesaid and/or if the service charges remain unpaid, without giving any further notice to the Client/s and/or without incurring any liability or responsibility whatsoever by reason of such withdrawal.

18. FUNDS TRANSFER

The Client/s shall not use or attempt to use Web Banking for funds transfer - as and when the facility is made available - without sufficient funds in the relative Web Banking account or without a pre-existing arrangement with ICICI Bank for the grant of an overdraft. ICICI Bank will endeavor to effect such funds transfer transactions received through Web Banking provided there are sufficient funds available in the Client/s' account. ICICI Bank shall not be liable for any omission to make all or any of the payment or for late payment due to circumstances beyond the reasonable control of ICICI Bank.

19. AUTHORITY TO ICICI BANK

Banking transactions in the Client/s' Web Banking account(s) are permitted through Web Banking only after authentication of the Client/s-Id and password of the Client/s. The Client/s (along with the joint account holder, if any) grant express authority to ICICI Bank for carrying out the banking transactions performed by them through Web Banking. ICICI BANK shall have no obligation to verify the authenticity of any transaction received from the Client/s through Web Banking or purporting to have been sent by the Client/s via Web Banking other than by means of verification of the Client/s-Id and the password. The display or printed output that is produced by the Client/s at the time of operation of Web Banking is a record of the operation of the Internet access and shall not be construed as ICICI Bank's record of the relative transactions. ICICI Bank's own records of transactions maintained through computer systems or otherwise shall be accepted as conclusive and binding for all purposes unless any discrepancy is pointed out within a week from the date of sending the periodical statement to the Client/s or the updation of the passbook.

20. LIABILITY OF THE CLIENT/S AND ICICI BANK

The Client/s shall not be liable for any unauthorised transactions occurring through the use of Web Banking that can be attributed to the fraudulent or negligent conduct of the employees or agents of ICICI BANK. If the Client/s have complied with the terms and advises ICICI BANK in writing under acknowledgment immediately after they suspect that their Client/s'-Id or password is known to another person and/or notices an unauthorised transaction in his Web Banking account, they shall not be liable for losses arising out of the unauthorised transactions occurring in the Web Banking accounts after the receipt of such advice by ICICI Bank. The Client/s shall be liable for some or all loss from unauthorised transactions in the Web Banking accounts if they have breached the terms or contributed or caused the loss by negligent actions such as the following: Keeping a written or electronic record of Web Banking password, Disclosing or failing to take all reasonable steps to prevent disclosure of the Web Banking Client/s-Id or password to anyone including ICICI Bank staff and/or failing to advise ICICI Bank of such disclosure within reasonable time. Not advising ICICI Bank in a reasonable time about unauthorised access to or erroneous transactions in the Web Banking accounts. ICICI Bank shall not be liable for any unauthorised transactions occurring through the use of Web Banking that can be attributed to the fraudulent or negligent conduct of the Client/s.

21. NON-TRANSFERABILITY

The grant of facility of Web Banking to a Client/s is not transferable under any circumstances and shall be used only by the Client/s.

## 22. PURCHASE OF SECURITIES

Client/s agree & authorise ICICI Bank to block the required amount in the designated Bank account against their desired limits and settlement obligations. If their order gets executed either fully or partially then the amount equal to their obligation would be transferred to the pool account of I-Sec on or before Settlement date. Client/s agree that Client/s will not be allowed to withdraw, issue a cheque or otherwise use the blocked funds in their account. ICICI BANK reserves all its right to dishonour their instruction/cheque issued against the blocked amount. Client/s also understand & agree that Blocking of funds against their order will be given first priority to their other instruction or cheques, if any.

## 23. JOINT ACCOUNTS

If Client/s maintain a joint bank account, each joint holder irrevocably appoints the other as attorney-in-fact to take all action on his or her behalf and to represent him or her in all matters with respect to the agreement entered into with I-Sec. Client/s agree to indemnify I-Sec & ICICI BANK, and I-Sec & ICICI BANK shall be fully protected in acting upon the instructions of either of Client/s. Each of Client/s shall be jointly and severally liable for any amounts due to I-Sec pursuant to this agreement, whether incurred individually or by both of Client/s. In the event of the death of any of the joint owners, the surviving joint owner(s) shall immediately give ICICI BANK & I-Sec proper written notice thereof. I-Sec & ICICI BANK may, before or after receiving such notice, take such proceedings, require such documents, retain such portion of and restrict transactions in the account as they deem advisable, in their sole discretion, to protect themselves against any tax liability, penalty or loss under any present or future laws or otherwise.

## 24. ACCURACY OF INFORMATION

If the Client/s notice an error in the account information supplied to them through Web Banking or by the use of any of the Web Banking services, they shall advise the Bank as soon as possible. The Bank will endeavor to correct the error promptly and adjust any interest or charges arising out of the error.

## E. TERMS AND CONDITIONS FOR THE ISSUE AND USE OF ATM CARDS

### 1. MEANING OF CERTAIN TERMS

The term "Bank" refers to "ICICI Bank Ltd". "ATM" refers to the Automated Teller Machines installed by the bank. "Card Holder" refers to a Client/s who have been issued an ICICI Bank ATM Card.

### 2. ICICI BANK ATM CARD ISSUANCE

An account holder may be issued an ICICI Bank ATM Card by the Bank at its discretion if he has satisfactorily conducted savings and/or current account and/or any other type of account so designated by the bank to be eligible account(s) for operations through the use of ICICI Bank ATM Card. The account holder shall give his preference of such account(s) held by him in writing in the relationship form for issue of ICICI Bank ATM Card. A minor's account or an account in which a minor as a joint account holder is not eligible for issue of ICICI Bank ATM Card. There may be more than one such account in which case one account shall be designated as "Primary Account" and the others as "Secondary Account 1" and Secondary Account 2" at the option of the card holder.

### 3. ICICI BANK ATM CARD

ICICI Bank ATM Card shall be issued to an approved account holder in respect of his account to enable him to operate the ATM.

### 4. ATM FACILITIES

The facilities offered under ATM facility shall be withdrawal of cash by the car

dholder from his account up to a stipulated amount limit only during a cycle of 24 hours, deposit of cash and cheques in the account, balance enquiry of his account(s), cash/cheque deposits, requisition for an account statement, request for change of PIN number, Cheque-book issue request, request for transfer of amount from the primary account to the secondary account(s) or vice-versa and such other facilities as the bank may decide to provide, from time to time.

#### 5. MINIMUM BALANCE IN PRIMARY ACCOUNT

The card holder shall maintain, at all times, such minimum balance in his account, as the Bank may decide from time to time and the Bank may at its discretion levy such penal or service charges as per the Bank's rules from time to time, or withdraw the ATM facility, if at any time the amount of deposit falls short of the required minimum as aforesaid, without giving any further notice to the card holder(s) and/or without incurring any liability or responsibility whatsoever by reason of such withdrawal.

#### 6. FEES

All fees related to the ATM facility as determined by the bank from time to time may be recovered by debiting the card holder's primary account. In case of insufficient balance in the aforesaid account, any of the secondary accounts as may have sufficient balance, may be debited.

#### 7. BANK'S LIEN

The bank shall have the right of set-off and lien, irrespective of any other lien or charge, present as well as future, on the deposits held in the cardholder's primary account and/or, secondary account(s) or in any other account, whether in single name or joint name(s), to the extent of all outstanding dues, whatsoever, arising as a result of the ICICI Bank ATM card services extended to and/or used by the card holder.

#### 8. MULTIPLE CARDS

In case of joint account(s) either or survivor/anyone or survivor where more than one person has been issued ICICI Bank ATM Card, all the card-holders put together, shall withdraw only upto the permissible limit allowed to single card account(s) within the cycle time of 24 hours.

#### 9. NON TRANSFERABILITY

ICICI Bank ATM Card is not transferable under any circumstance and shall be used only by the cardholder.

#### 10. PERSONAL IDENTIFICATION NUMBER

Each cardholder will be issued a sealed envelope containing a four digit number called "Personal Identification Number" (PIN) to gain access to the ATM services. This number can be changed to any other convenient four digit number by the cardholder at the ATM. The PIN shall under no circumstances be revealed to any third party. The cardholder shall be solely responsible for the consequences arising out of the disclosure of his PIN and/or unauthorised use of ICICI Bank ATM Card and shall be liable for any increased liability which he may incur on account of unauthorised use of the pin and ICICI Bank ATM Card. If the cardholder forgets the PIN, he/she should make an application in writing for a fresh PIN. The selection of a new Personal Identification Number and/or the replacement of ICICI Bank ATM Card shall not be construed as the commencement of a new contract.

#### 11. FUNDS IN THE ACCOUNTS

The cardholder should not use or attempt to use ICICI Bank ATM Card without sufficient funds in the account he wants to operate through the card.

#### 12. LOSS / THEFT OF CARDS

The cardholder shall be responsible for the safe custody of ICICI Bank ATM Card. In case of loss or theft of the ICICI Bank ATM Card, the cardholder shall advise

e any of ICICI Bank branches, preferably the ATM Card issuing branch as promptly as possible in writing, of the loss of ICICI Bank ATM Card, howsoever occurring. The cardholder shall however be responsible and liable for all transactions effected by the Client/s of the card until it is confiscated/cancelled. Another ICICI Bank ATM Card will be issued to the cardholder in lieu of lost/stolen ICICI Bank ATM Card, upon request in writing and payment of issue fee.

#### 13. AUTHORITY TO DEBIT THE ATM LINKED ACCOUNT

The cardholder alongwith the joint account holder(s), if any, shall authorise the bank to debit the account(s) with the amount of withdrawals, or transfers effected by the use of ICICI Bank ATM Card, as per the Bank's records. The Bank's record for transactions processed by the ATM machine shall be binding on all the joint account holders, jointly and severally.

#### 14. DEPOSITS

The amount of cash/cheque deposits shall be verified by two members of the Bank's staff, one of who will be an officer. The amount verified by the Bank shall be deemed to be the correct amount deposited by the cardholder. The statement issued by the ATM at the time of deposit only represents what the cardholder purports to have deposited and will not be binding on the bank. If there are soiled, mutilated notes in such deposits, the acceptance of such deposits shall be subject to final acceptance and reimbursement by RBI as per the note refund rules. Cheques will be accepted for collection only and the proceeds will not be available until they have been cleared. Deposits of foreign currency cash/cheques/spoiled and mutilated notes or any other deposits that are unacceptable, shall be returned, at the cardholders cost, risk and responsibility.

#### 15. RESPONSIBILITY FOR ALL TRANSACTIONS THROUGH THE ATMS

Operations through the ATM facility on the cardholders account(s) can only be through the use of ICICI Bank ATM Card on the machine. The cardholder shall in all circumstances, accept full responsibility for all transactions processed by the use of his ICICI Bank ATM Card, whether or not processed with the cardholder's knowledge or authority, express or implied. The printed output that is produced at the time of operation of the ATM is a record of the operation of the ATM and shall be construed as the Bank's records. The Bank's records of transactions shall be accepted as conclusive and binding for all purposes.

#### 16. CLOSURE OF ACCOUNT(S)

If the cardholder desires to close his account(s) or withdraw any ICICI Bank ATM Card linked deposit, or even otherwise decides to terminate the use of the ICICI Bank ATM Card facility, he shall give a written notice of atleast two days and surrender ATM Card to the Bank. The cardholder shall also pay dues, if any, payable to the Bank in connection with the ATM facility.

#### 17. CHANGE OF TERMS AND CONDITIONS

The bank has the absolute discretion to withdraw the ICICI Bank ATM Card, the services thereby provided, or amend or supplement any of the above terms and conditions at any time without prior notice to the cardholder.

#### 18. HONOURING THE CARD

The Bank shall in no circumstances be held liable to the cardholder if ICICI Bank ATM Card is not honoured in the desired manner for whatsoever reason, or if the ATM is destroyed or not functioning due to power failure, temporary insufficiency of cash in the ATM or any other reason. The Bank will not be liable for any consequential or indirect loss or damage arising therefrom.

#### 19. OWNERSHIP OF ICICI BANK ATM CARD

ICICI Bank ATM Card shall be the property of the Bank and will be surrendered to the Bank on request or in the event of the cardholder no longer requiring the service. The Bank reserves the right to disclose, in strict confidence, to other

institutions, such information concerning the cardholder's account as may be necessary or appropriate in connection with its participation in any ATM or electronic fund transfer network.

**F. TERMS & CONDITIONS GOVERNING DEPOSITORY TRANSACTIONS**

1. The Client/s shall have the right to create a pledge of the securities held in a dematerialised form with ICICI BANK (DP) only in accordance with the procedure and subject to the restrictions laid down under the bye laws and business rules of the Depository. Provided that nothing contained herein shall be deemed to permit the Client/s to pledge or otherwise use any security that has been blocked by the Client/s or by their power of attorney holders at any time, and ICICI BANK (DP) shall be deemed to have reserved all rights to dishonour any such instruction by the Client/s.

2. The Client/s shall cause to be submitted, all necessary documents including the status of the securities, that may be necessary for the legal transfer of securities, which require regulatory permissions for their transfer to I-Sec and ICICI BANK (DP). The transfer of these securities shall be subject to a clear legal title and such other delays as may be occasioned due to the processing of such securities. All costs associated with the compliance or failure to comply with the necessary regulatory requirements shall be the sole responsibility of the Client/s.

3. ICICI BANK (DP) shall, at no time be under an obligation to notify the Client/s of any upcoming expiration or redemption date or to take any action in relation to certain securities including but not limited to options, warrants, stock purchase rights, convertible securities, bonds and securities subject to a tender or exchange offer, which grant the holder thereof valuable rights that may expire unless the holder thereof takes a particular action. The Client/s shall be deemed to be aware of the rights, obligations and terms of all the securities in their account. Provided that nothing in the foregoing shall be deemed to absolve ICICI BANK (DP) from any statutory requirements, legal requirements and/or applicable rules of regulatory authorities.

4. ICICI BANK (DP) shall not be liable to the Client/s for any loss caused to the Client/s due to any reorganization in the securities which the Client/s hold, including, but not limited to, stock splits and reverse stock splits. ICICI BANK (DP) shall also be under no obligation to notify the Client/s of any such reorganization. ICICI BANK (DP) will also not be responsible for the title, validity or genuineness of any securities, which have been dematerialised and notified subsequently by the registrar of any defects in its title/validity, which has resulted in a reduction of the dematerialised holdings in their account.

**5. CONTROL" OR "RESTRICTED" SECURITIES:**

Even if the necessary documents are furnished in a timely manner, there may be delays with the processing of such securities. I-Sec, at its sole discretion, may require that such securities not be sold/bought or transferred until they clear legal transfer. Client/s are responsible for all costs associated with compliance or failure to comply with all the regulatory requirements.

**6. CLIENT/S' RESPONSIBILITY REGARDING CERTAIN SECURITIES**

Certain securities may grant the holder thereof valuable rights that may expire unless the holder takes action. These securities include, but are not limited to, options, warrants, stock purchase rights, convertible securities, bonds and securities subject to a tender or exchange offer. Client/s are responsible for knowing the rights and terms of all securities in their account. If, due to a reorganization or bookkeeping or data entry error, Client/s sell more shares of a security than Client/s own, then ICICI BANK (DP)/I-Sec will not be responsible for any losses Client/s may incur.

G. GENERAL TERMS AND CONDITIONS/REPRESENTATIONS AND WARRANTIES.

1. I-Sec shall credit the proceeds of the sale/redemption etc. of any of the Investment Products only after I-Sec has received the same. The proceeds of all sales will be credited to the Client/s' account directly within the stipulated time from the settlement date.

2. The Client/s also acknowledge that the employees of I-Sec ICICI BANK and/or ICICI BANK (DP) are not authorized to give out any advice and the Client/s shall at all times be responsible and liable for their own actions/inactions. The Client/s may be able to access investment research reports through the Internet from the web-site, including computerised on-line services. The availability of such information does not constitute a recommendation to buy or sell any of the Investment Products. All investment decisions will be based solely on the Client/s' own evaluation of financial circumstances and investment objectives. Any real-time quotes provided are only for the Client/s' individual use and the Client/s shall not furnish such data to any other person or entity.

3. The Client/s agree to indemnify and hold I-Sec, ICICI BANK and ICICI BANK (DP) harmless against any loss that may be suffered by them, its customers or a third party or any claim or action that may be initiated by a third party which is in any way the result of improper use of the Web Banking, digital signatures, user ID and password by the Client/s.

4. The Client/s hereby agree to indemnify I-Sec, ICICI BANK and ICICI BANK (DP) for any loss, liability, costs or damages that may be incurred by all or any of them due to a breach of any of the client's obligations under the Client Agreement.

5. The Client/s affirm and shall continue to affirm every time an order is placed through I-Sec or an application preferred, as the case may be, that all information provided and the statements made in the Account Opening Form are true and are not misleading (whether by reason of an omission to state a particular fact or otherwise as at the time of completing the Account Opening Form or any time thereafter). The Client/s agree that I-Sec, ICICI BANK and ICICI BANK (DP) have agreed to provide to the Client/s services at [www.icicidirect.com](http://www.icicidirect.com) based on the representations contained therein and in the account opening form.

6. The Client/s affirm that they have the required legal capacity to enter into the Agreement with I-Sec and are capable of performing their obligations and undertakings hereunder.

7. The Client/s shall at all times be liable to pay I-Sec the brokerage, commission, service tax and other taxes and transaction expenses as applicable/notified by I-Sec on the Website from time to time. The Client/s agree that any request for cancellation/modification of an order or an application shall be subject to the order or application not having been acted upon or already being executed or it being outside the control of I-Sec to make any cancellation or modification to such order or application. An order or application shall be deemed to have been executed or cancelled only after the Client/s have received a intimation from I-Sec regarding the status of their order.

8. The Client/s hereby agree that I-Sec or the Exchanges shall not be liable for the non-execution of any order caused due to any suspension, interruption, non-availability or malfunctioning of the online trading service or the Exchange system or service for any reasons whatsoever.

9. The Client/s agree that I-Sec, ICICI BANK and ICICI BANK (DP) may enforce any of the rights, duties and obligations arising under the Agreement(s) executed a

t the time of account opening or any related document including the power of attorney either jointly or independently and nothing in this account opening documentation shall be construed in a manner so as to restrict the right of I-Sec, ICICI BANK and ICICI BANK (DP) to initiate any action jointly.

10. The Client/s agree & authorise ICICI BANK (DP) to block any security sold from the designated demat account against their order or the order of their power of attorney holders' order to sell securities. If their order gets executed either fully or partially then securities towards PayIn for the executed transaction s would be transferred to the I-Sec Account on the designated date & the balance securities, if any, would be unblocked on the trade day.

11. The Client/s agree to and undertake to deposit with I-Sec such cash, securities or other acceptable securities as may be required as margin, in addition to the permanent margin, if any, which may be higher than the margin as prescribed by the Exchange.

12. The Client/s shall choose a password that shall be at least 6 characters long and shall at all times keep the Client/s'-Identification and password confidential. Further, at such time and within such period as I-Sec may require, the Client/s shall obtain and maintain during the term of the Agreement(s), digital signatures, which would aid and assist the Parties and the Client/s to authenticate all or any electronic transactions made through [www.icicidirect.com](http://www.icicidirect.com) and related documents. The Client/s shall be responsible for keeping the Client/s'-Id and password and/or digital signature confidential and secure and shall be solely responsible for all orders and transaction that are entered and executed using the password and/or digital signature whether or not such person was authorised to do so. In the event of an apprehension of unauthorized access, the Client/s shall immediately cause the password and/or digital signature to be changed. The Client/s shall at no time allow any unauthorized person access to their account and shall ensure to log off every time they are not using the service. The Client/s shall forthwith intimate I-Sec of any unauthorized usage of the account with full details of the date, the manner, the transactions executed after the unauthorized use.

13. The Client/s acknowledge that they are fully aware of the risks involved in online trading activities, including the risk involved due to unauthorized access or any technical difficulties.

14. The Client/s shall at all times continue to be responsible for any transaction ordered on their accounts prior to the cancellation of the services. If the service is withdrawn for a reason other than the breach of the terms and conditions by the Client/s, the liability of I-Sec, ICICI BANK and ICICI BANK (DP) shall be restricted to the return of the annual charges, if any, recovered from the Client/s for the period in question. The closure of the accounts of the Client/s shall automatically terminate the web based brokerage service facilitated by [www.icicidirect.com](http://www.icicidirect.com). I-Sec, ICICI BANK and ICICI BANK (DP) may suspend or terminate trading facilities without prior notice if the Client/s have breached these terms and conditions or it learns of the death, bankruptcy or lack of legal capacity of the Client/s.

15. No forbearance, relaxation, failure or delay by any Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof or of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

16. I-Sec, ICICI BANK and ICICI BANK (DP) may in their sole discretion close the accounts of the Client/s in the event of death or insolvency of the Client/s.

18. I-Sec may send the order/trade confirmation slip/online intimation of succes

sful/unsuccessful applications through e-mail to the Client/s at their request, within such period as prescribed or reasonably possible/practicable for I-Sec to do so to do from the time of execution of order/trade on the National Exchange for Automated Trading (NEAT)/ BSE on-line Trading (BOLT) system or such other third party as the case may be for effecting purchase/sale or preferring an application for an investment product, as the case may be, or by means of electronic record, duly authenticated by I-Sec's. The Client/s agree that the information sent by I-Sec by e-mail is deemed to be a valid delivery of such information by I-Sec

19. Securities Exchange Board of India with a view to increase the transparency in the dealings between the broker and the Client/s and to protect the interests of investors in securities and to promote the development of, and to regulate the securities market has made it mandatory for all the stock brokers to disclose to its Client/s whether it does Client/s based business or does Client/s based business and proprietary trading as well. This mandate was introduced vide circular No. SEBI/MRD/SE/Cir-42/2003 dated 19th November, 2003. Pursuant to the above said circular of Securities Exchange Board of India, ICICI Securities hereby declares to all its clients that " ICICI Securities Limited deals in Client/s based business and does proprietary trading as well"

#### H. TERMS AND CONDITIONS GOVERNING CALL AND TRADE FACILITY.

The following are the specific terms and conditions relating to the Call and Trade facility (hereinafter referred to as "CallNTrade®") being offered to the Client/s by I-Sec through an Independent Service Provider. In case the same are not acceptable, please do not use this facility. The acceptance of the terms as mentioned below and the terms and conditions displayed on the Website and contained in the Client/s Agreement are a prerequisite for availing of this facility.

##### Definitions.

"CallNTrade®" shall mean the facility provided by I-Sec to the Clients, through an Independent Service Provider, whereby the Client/s can place order(s) over the phone for transactions in securities, to be executed by I-Sec, in such securities that are made available to the Client/s for trading by I-Sec.

"CSE" shall mean the Customer Service Executive appointed by the call centre(s) for the purpose of providing the CallNTrade® facility.

"Independent Service Provider" shall mean the company, which shall provide the call centre(s) facility to the Clients on these terms and conditions.

"Token" shall mean an instrument designed to generate a six-digit number every 60 seconds at random, which the Client/s may opt to purchase from I-Sec for the purpose of certifying his genuineness while placing the orders over the phone.

"Website" shall refer to ICICIdirect.com or to such other website as may be maintained by I-Sec from time to time.

1. For the purpose of availing of CallNTrade®, the Client/s will be required to call on the specific numbers intimated or notified from time to time by I-Sec by means of an email and/or by putting up such numbers on the Website or otherwise for the said purpose. Such numbers will be subject to changes at I-Sec's sole discretion, which change shall be intimated/notified to the Client/s within reasonable time of such a change.

2. In case the Client/s opts to purchase a token for CallNTrade® he shall give the

pin number that is allotted to the Client/s by I-Sec, along with the log number that is randomly generated on his Token at the time when he calls. This will be required for the purposes of validating the Client's personal identification details and ascertaining the genuineness of the caller. However in the event the Client/s does not opt for the token facility, he will need to provide accurate answers to the questions asked by the CSE, including the Client's user id, for ascertaining the genuineness of the caller. I-Sec shall place the order for the Client/s only after the Client's credentials have been verified by the CSE in the above manner.

3. The Client/s hereby authorises I-Sec to use the user-id made available by him for the purpose of executing the orders placed by the Client/s over the phone and agrees to hold I-Sec harmless for any such usage. All orders placed by I-Sec on behalf of the Client/s using the Client's user id shall be deemed to have been placed by the Client/s himself.

4. The orders placed by the Client/s with the CSE for execution shall be orders for execution on the National Stock Exchange, Bombay Stock Exchange Limited or such other stock exchanges notified from time to time by I-Sec, for this purpose.

5. The Client/s shall place the orders during market hours with the CSE for execution on the same trading day. All orders placed by the Client/s after market hours shall be entered for execution by I-Sec on the next trading day of the National Stock Exchange, Bombay Stock Exchange Limited or such other stock exchanges notified from time to time by I-Sec, for this purpose.

6. The Client/s understands, agrees and authorises I-Sec at its discretion and without further prior notice to the Client, to monitor and record any or all telephone conversations between the Client/s on one hand and the CSE on the other so as to ensure the maintenance of an audit trail of the transactions placed through this facility.

7. The Client/s must note that for security reasons, the Client/s himself will be required to call and place the required orders over the phone in accordance with the terms hereof.

8. Neither I-Sec nor the CSE shall accept any liability that may arise as a consequence of incomplete /incorrect data or information provided to the CSE over the phone and/or any error in the execution of an order due to such incomplete/incorrect data. Further neither I-Sec nor the CSE shall be liable for any loss that may be incurred by the Client/s due to a third party placing orders through CallNTrade® due to divulgence of the Client's personal identification details.

9. The Client/s will be required to pay an amount of Rs 25/- (Rupees twenty-five only), per call made towards CallNTrade®, being the service charges, for this facility payable to the Service Provider. I-Sec shall recover this amount from the Client/s on behalf of the Service Provider, by means of a direct debit to the Client's bank account maintained by the Client/s with ICICI BANK and linked to the online share trading account. The Client/s agrees to permit I-Sec to debit the Client's bank account for the payment of the abovementioned charges on his behalf. The said charges would be payable for every call made under the CallNTrade option, irrespective of whether an order is placed during such call or whether or not the order placed, if any, was executed. I-Sec shall, on behalf of the Independent Service Provider, recover the money on a monthly basis for the CallNTrade® facility from the Client/s and pay to the Service Provider.

10. The abovementioned service charges for the CallNTrade® facility are exclusive of the applicable brokerage charges payable to I-Sec for the executed orders of the Client/s that have been placed by the Client/s over the phone using CallNTrade®. The Client/s is required to check the Fee schedule on the Website for the purp

oses of knowing the applicable brokerage and incidental charges.

11. Once the orders are placed by the Client/s over phone and are sent by I-Sec to the Exchange for execution, the Client/s may check the status of such orders, online on the website, in the same manner as in the case of online share transactions placed by the Client/s through the Website.

12. The Client/s hereby agrees to hold I-Sec and the CSE harmless against all actions, claims and liabilities that may be incurred by them due to any action initiated or threatened to be initiated against them due to the performance of any of their obligations herein and agrees that I-Sec and the CSE shall not be liable for any loss suffered by the Client/s on account of non execution of the order placed over the phone due to any reason whatsoever.

THE CLIENTS ARE REQUIRED TO TAKE NOTE OF THE SAME.