

BULL BROTHERS

Corp Office Address: DA-8, 1ST&2ND FLOOR, VIKAS MARG

Policy for Client Code Modification

1. Objective

To frame the guidelines for modification to client codes post trade execution and reporting of such Client Code Modifications.

2. Brief about Client Code Modification:

Client Code Modification means modification / change of the client codes after execution of trades. Stock Exchanges provide a facility to modify any client code after the trade has been executed to rectify any error or wrong data entry done by the dealers at the time of punching orders. However, such Client Code modification is subject to certain guidelines as to the time limit within which the client code modification is to be carried out, terminal / system on which such modifications can be done etc. The facility is mainly to provide a system for modification of client codes in case genuine errors in punching / placing the orders. It is to be used as an exception and not a routine. To Prevent misuse of the facility Stock Exchanges levy penalty / fine for all non-institutional client code Modifications.

3. Scope of the Policy:

This policy covers all the Client Code Modifications carried out / to be carried out in any of the client accounts controlled by HO, subject to the guidelines issued by the SEBI / Stock Exchanges from time to time, in any segment of any exchange for which BULL BROTHERS is a member broker.

4. "Error Trades" means the trades which will be modified / to be modified / allowed, to be modified subject to guidelines of the SEBI / Stock Exchanges and this policy.

For the purpose of this Policy, only the following types of trades shall be modified / allowed to be modified:

In case of NSE CM & F&O (NOTE: no consistent pattern in such modifications):

client code/name and modified client code/name are similar to each other but such modifications are not repetitive.

5. General Conditions:

- The facility for Client Code Modification can be used only in case of Error Trade.
- No client code modification permitted except on written request duly authenticated.
- Approval of Compliance officer, operations and exception reporting to the Proprietor has to be done every week, if any.

- Client Code Modification is not permitted as a policy and only weekly verify exceptional cases where also, genuinity has to be established.
- The Client Code Modification shall be carried out only on the designated system and / or as per the process as may be prescribed by SEBI / Stock Exchange.
- The modification to the client code is to be done only in exceptional cases and not as a routine one.
- The reason for modification has to be ascertained and analysed and genuineness is to be established and also it's impact on the clients should be studied before the modification.
- Normally as a principle, other than for punching errors, no modification to the client codes be allowed. This is also to be done only after prior approval of compliance officer after he is satisfied with compliance of this policy and regulatory guidelines.
- Therefore it is imperative that the issue should be reported to the senior level Manager/Proprietor and only with his approval, the modification should be carried after being satisfied that it is genuine, the same is required to be done to protect the interests of the client.
- Hence the facility to modify the client codes should be available only at the Corporate Manager level and not given to the branches/franchise/sub-brokers.
- Training program is to be conducted to all the Dealers and they should be explained how code modifications can be misused and what steps should be taken to avoid the same. It also should be explained that code modifications should not be encouraged to the clients except for cases like 'punching errors'/'typing errors'.
- A register is to be maintained electronically for recording all the code modifications with details like error code, correct code, scrip name quantity, client name, the name of the dealer who punched the code, the explanation of the dealer/Branch Manager, the 'analysis /study' of the authorised Manager and his approval/disapproval for modification.
- Finally the decision of the authorised Manager should be ratified later by the Proprietor/ Compliance officer.

6. Place for Client Code Modification:

Any Client Code Modification shall, subject to compliance of this policy, be carried out by BULL BROTHERS at HO of all the Error Trades happened in Capital Market Segment of NSE.

7. Penalty

The penalty or fine, if any, levied on BULL BROTHERS for any wrong trade occurred due to any miscommunication from the client / authorized representative of the client, it won't be charged or levied on Client.

For & on behalf of BULL BROTHERS