Alice Blue Financial Services Pvt. Ltd. is a member of the National Stock Exchange, Bombay Stock Exchange and Multi-Commodity Exchange of India in the Equity, Equity Derivatives segment, Currency Derivatives segment and Commodity segment having its Corporate Office No. 153/2, 3rd Floor, M.R.B.Arcade, Bagalur Main Road, Dwaraka Nagar, Yelahanka, Bengaluru – 560063.

Parameters/guidelines followed for Risk Management/Risk Assessment are as under which covers all segments of stock Exchanges namely, NSE, BSE and MCX.

Procedure for identifying the clients:

We generally register a client who is referred to us. We verify customer identity through documentary evidence apart from mandatory in- person verification carried by our employees. We obtain copies of PAN card/Aadhaar/Identity proof and address proof in case of individuals and relevant required documents for NRI clients, corporate and non –individual clients & Nominee details. We verify the original documents to establish the customer's identity. While analyzing the information, we consider whether there is a logical consistency among the information provided, such as the customer's name, street address, PIN code, telephone number, date of birth, etc. Sufficient information is obtained to establish the identity of the beneficial owner who ultimately own, control and influence the entity on whose behalf the transactions will be effected. In case of non individuals we identify the ultimate beneficial owners by obtaining details of natural persons of such entities.

Walk-in clients are generally enrolled by interviewing the client and upon verification of all the requirements thoroughly by our employees.

The company will not allow benami or fictitious accounts where the client is desirous of keeping his/its identity confidential or secret. The company will not allow multiple client accounts. We have in place system for cross verification of the identity of a client in order to ensure that he/she/it is not a suspected entity. For that details of debarred entities notified by SEBI/exchanges are verified.

Policy of acceptance of clients:

The clients such as individuals, HUF's, Firms (registered or unregistered), Public Limited Companies, Private Limited Companies, Non Resident Indians and Persons of Indian Origin get registered as a client after strictly following Know Your Client formalities prescribed by SEBI / Exchanges/Depositories in this regard.

Transaction assessment:

Payin: Clients can transfer funds into the Trading Account only from such bank accounts which are registered with AliceBlue. Any transfer from a non-registered bank account will not be considered and the client does not get any trading limit credit for such transfers.

The client can transfer funds from the instant payment gateway facility available on the trading platform or on the backoffice. Such transfers will be charged at ₹10 + GST per transfer.

If the client transfers funds via cheque, the details of the transfer along with a copy of the cheque should be made available to AliceBlue for the credit to be updated on the trading account.

Payout: The Funds payout happens on same day, if the request comes before 8:00AM or on next trading day if the request comes after 8:00AM.

Pledge & Un-Pledge:

With reference to SEBI circular reference no: SEBI/HO/MIRSD/DOP/CIR/P/2020/143 dated July 29, 2020 & SEBI/HO/CFD/DCR-2/CIR/P/2020/164 dated September 02, 2020, all the Collateral margins can be given only in accordance with the securities pledge to ICCL (Clearing Corporation). Both Pledge & Un-pledge request mandatorily come from the client alone. The considerable scrip details for Pledging are available in client BOT portal.

Exposure setting: Collateral based limit / exposures will be set for clients for transacting in Capital Market and Derivative segments. While computing the available margin, clients with ledger balance either credit or debit & the Collateral amount with Hair cut applicability. Margin can be paid in the form of cash and approved collateral. Collateral will be valued on daily basis at latest / previous day closing price and appropriate hair- cut shall be applicable. List of approved collateral/securities along with applicable haircut, is subject to revision from time to time based on Exchange approved list, market volatility, quality of collateral and internal guidelines; and same can be obtained from the website. For margin calculation collateral based on VAR margin, as prescribed by Exchange, will be considered for setting limits.

Execution of Securities through E-DIS:

In order to execute available Securities in client's account, client can use E-DIS mode (only for Non-POA), by using a TPIN from CDSL. This TPIN can be set by client only.

Margins:

With reference to SEBI Circular reference no: SEBI/HO/MRD2/DCAP/CIR/P/2020/127 dated July 20, 2020, which explains the implementation of Peak Margin across all segments in 4 phases, the maximum intraday exposure are as follows:.

SEGMENT	LEVERAGE
EQUITY/CAPITAL MARKET	MAX 5X /(APPLICABLE VAR+ELM)
DERIVATIES SEGMENT	AS PER EXCHANGE SPAN FILE
OPTION BUY IN OPTIONS	REQUIRED PREMIUM

Identifying the Stocks in CM segment:

Upon considering the Upfront margin requirements in Capital Market (CM Segment), AliceBlue has identified the stocks with various factors such as, Var, ELM, Addl margin, Daily Price Range (DPR) & Price Band etc.

On valuating the above logics, we give exposure to the Leveraged products as below:

Product	VAR + ELM		Price Band	Closing Price	Remarks
MIS 5x	0	0.25	>=20/NO BAND	40 above	>20(Adhoc Margin Not Considered)
MIS 4x	0.25	0.35	>=20/NO BAND	40 above	>20(Adhoc Margin Not Considered)
MIS 3x	0.35	0.5	>=20/NO BAND	40 above	>20(Adhoc Margin Not Considered)
CNC 5x	0	0.2	>=20/NO BAND	40 above	>40(Including Adhoc Margin)
CNC 4x	0.2	0.4	>=20/NO BAND	40 above	>40(Including Adhoc Margin)
CNC 2x	0.4	0.7	>=20/NO BAND	40 above	>40(Including Adhoc Margin)

With reference to SEBI circular reference no CIR/HO/MIRSD/DOP/CIR/P/2019/75 dated 20th June 2019 and further NSE circular reference no: NSE/INSP/42052 dated 04th Sep 2019 and BSE circular reference no: 20190904-38 Dated 04th Sep 2019, the required shares are to be transferred to CUSA account (Client Unpaid Securities Account) according to the debit value available in Client Ledger and such stocks can be square off on or before T+7 days. The client can clear the debit value in order to receive the shares to his/her Beneficiary account.

Demat A/c: AliceBlue member of CDSL will offer open DP Accounts. Client will have a facility to link his trading account with Demat account. It is mandate to open demat account along with the trading account to avoid Securities Payout obligation. Transfer of shares from a third-party Demat account in to AliceBlue pool account and subsequent selling of such stocks is allowed.

Allowance of Leveraged Products across segments:

SEGMENT/ PRODUCT	MIS	CNC/NRML	BO	CO	MTF
NSE CM	Y	Y	Y	N	Y
BSE CM	Y	Y	N	N	Y
FUTURES	Y	Y	Y	Y	N
OPTIONS	Y	Y	N	N	N
MCX	Y	Y	Y	Y	N
CURRENCY	Y	Y	N	N	N

Risks pertaining to commodity options that devolves into futures on expiry:

- All open options contract will be devolved into futures on the expiry date of the options contract.
- The Exchange charges physical delivery margins as a percentage of applicable margins (VaR + ELM +Adhoc) of the underlying stock which is levied from expiry-minus 4 days for long ITM options in the following manner:

(BOD-Beginning of the day)	Margins applicable
E-4 Day (Friday BOD)	10% of VaR + ELM +Adhoc margins
E-3 Day (Monday BOD)	25% of VaR + ELM +Adhoc margins
E-2 Day (Tuesday BOD)	45% of VaR + ELM +Adhoc margins
E-1 Day (Wednesday BOD)	70% VaR + ELM +Adhoc margins

- Failure to produce the margin in the trading account can lead to a square-off of open positions at the discretion of the RMS team.
- The margin block will be applicable for contracts part of the exchange's sensitivity report.

- Delivery of Equity options & futures are not allowed.

Intraday products (MIS/BO/CO) square off timings:

<table>
<tr><th colspan="4">Square- off timings</th></tr>
<tr><th>Segment</th><th>Product</th><th>Pre-Auto</th><th>Auto Sqr off</th></tr>
<tr><td rowspan="2">NFO</td><td>MIS</td><td>3.16 PM</td><td>3.18 PM</td></tr>
<tr><td>BO & CO</td><td>3.16 PM</td><td>3.20 PM</td></tr>
<tr><td>Currency</td><td>MIS</td><td>4.45 PM</td><td>4.50 PM</td></tr>
<tr><td rowspan="2">CM</td><td>MIS</td><td>3.17 PM</td><td>3.21 PM</td></tr>
<tr><td>BO</td><td>3.17 PM</td><td>3.23 PM</td></tr>
<tr><td rowspan="4">MCX</td><td rowspan="2">MIS</td><td>11.17 PM,</td><td>11.20 PM,</td></tr>
<tr><td>11.45 PM</td><td>11.48 PM</td></tr>
<tr><td rowspan="2">BO & CO</td><td rowspan="2">NA</td><td>11.20 PM,</td></tr>
<tr><td>11.50 PM</td></tr>
</table>

Note (A): MCX Markets Timings varies in accordance to US Day light Savings in Fall Season.

Note (B)

- Pledge request can be available in 3 batches during the day say: 11AM, 1PM, 3PM on every trading day.
- All Un-pledge requests over the day occurred, will process at 5PM which includes: if client sqr off the Pledge securities and, if request is raised from client.
- If the client has any open Derivative position and unpledged request was raised, it will reject at RMS side to avoid the penalty from exchanges.
- Client should check for any Calendar spread positions on every Options expiry day in order to avoid the penalty. If in such cases, RMS will sqr off such positions starting before 45 minutes to the closing of market.
- AliceBlue has given provision to participate in Corporate actions as such: BuyBack, OFS, QFS, TenderBack, Stock Splits, Bonus allotment etc and charges a 0.01% of value as Brokerage from POA enabled clients. In case of POA is not enabled to the client, he/she can register in CDSL Easiest & avail the Corporate actions facility.
- Physical delivery in NFO stock options is possible with a prior notice at least a day before the expiry. Request raising post then, will reject even if there is sufficient funds or securities available with client.
- A 15/- + GST will be chargeable to each Pledged and unpledged ISIN on each given day for each

client.

- The suspicious transactions come under the provisions of PMLA Act and respective details can be referred here.
- A Call & Trade charge of Rs. 50+GST is applicable for positions squared off due to insufficient funds.
- RMS will square off your open positions if your open positions have consumed more than 100% of your 'Available to Trade' funds. In this regards, please note down below points:

  1. It is suggestible to maintain adequate/ extra margin for your open position to avoid MtoM shortfall.

  2. If the shortfall continues, the open positions will be directly squared off from our end.

  3. If any Clients trading through option strategy & using hedge/Spread benefits, they have to cover the high margin utilizing position first(Option writing), if failed, a peak margin penalty / EOD carry forward penalty will be levied by the Exchange.

  4. All the Physical delivery/ Tender period/ straggled delivery contracts, there must be proper Intent from the client to keep the positions beyond their Date of Commencement of mentioned period(s) by payin the necessary margins.
- If failed to do so, RMS will Close Out your positions at the appropriate time to avoid the delivery/ further Margin shortage to the client. Further details contact us on mail askus@aliceblueindia.com Tel no 08035215055 | 08045490855.
- If any volatility happens in the Market RMS will square off your position anytime.
- Positions which do not have sufficient funds can be sqr off at any time at the discretion of our RMS desk. There will be no margin calls or intimation from our RMS desk.
- Any open positions can be squared off at the discretion of our RMS desk if the funds available in your account are short of exchange specified margins. There will be no margin call before the position is squared off.
- During times of extreme volatility, if the MTM loss is more than the funds available in your account before the position is squared off, then all resulting charges or debts that might occur from such square offs will have to be borne by the client.
- Under any circumstances, if the client fails to maintain sufficient margin & if any penalty is levied to the client, AliceBlue is not responsible/ liable.
- When MTM reaches 70% of loss to the available cash margin, such positions will square off from

RMS end and client will receive all related alerts on their Terminals & as SMS to registered mobile number. (Remaining available balance we are not allowing you trade).

- All BO, CO and MIS positions will automatically be squared off at the end of the each trading day.
- Bracket Order charges is applicable Rs.4+GST for One Side based on execution of orders.
- Trading in MCX contracts will be banned a day prior to the delivery intention period.
- Basket orders will not be allowed on penny stocks.
- With reference to SEBI circular reference no CIR/DNPD/7/2011 dated August 10, 2011 & SEBI/HO/CDMRD/DRMP/CIR/P/2016/80 dated September 07, 2016 and further NSE circular reference no: NSE/CMPT/18591 dated August 10, 2011 and MCX circular reference no: CIR/HO/MIRSD/DOP/CIR/P/2019/88 Dated CIR/HO/MIRSD/DOP/CIR/P/2019/88, all the Exchange related Penalties occurs due to the shortfall of non availability of adequate margin in MCX, F&O, CDS segments Exchange will charge the Penalties.
- SPAN+ELM in Derivatives & VAR + ELM or 20% minimum margins must be paid on upfront basis. The margins such as MTM losses & additional or adhoc margins (Cash segment) can be cleared on T+1 & T+2 basis respectively. If no such clearance happened, RMS will square off the derivatives positions upto the level T+1 MTM losses during closing hours of the respective segment. The clients will receive a prior email and telephonic intimation regarding the same.
- Apart from SPAN+ELM (in futures & option sell), 20% of trade value or VAR+ELM as their upfront margin (in cash segment), the additional or adhoc margin & MTM loss must be cleared on T+2 basis. If failed to pay so, there will be penalty which will be levied from respective exchanges.
- Clients will have to ensure all BO, CO and MIS products are closed by the EOD.
- BO and CO is not allowed in pre-open markets for Equities.
- In volatile market BO orders second leg will may cancel or execute. On execution on orders is possibility for profits/losses and client will be full responsibility for the executions.
- Payments will only be accepted from the client’s registered bank account; cash and DD pay-ins are not accepted.
- Commodities with staggered delivery will be closed on the marked Tender date in order to avoid physical delivery, and such contracts will be square off from RMS with a prior intimation to the respective clients & flashed in the trading platforms.
- Commodity Options with Devolvement margin & such positions will be square off from RMS on the Tender period starting date and pre intimation will be provided to client.

- On the start of the delivery intention period, clients will not be informed before closing any open positions to avoid compulsory delivery notice. Clients are advised to close their positions well in advance.
- For Commodities, on the start of delivery intention period, no contract will be available under MIS, BO & CO product type.
- Physical Delivery of Commodities is not allowed.
- Because of illiquidity of stock option contracts, market orders have been disabled on stock options. Only limit orders are allowed. Place a limit buying order higher than the current price or selling order below the current price, this will act as good as market order but will also protect from any impact cost due to illiquidity.
- Instruments available for trading at AliceBlue are subject to the discretion of the risk management team, and these may change from time to time for various reasons.
- In case of Weekly or Monthly expiry Index options, all liquid options will be square off from RMS starting from 3:18 PM on every expiry day. It can change based on the discretion of our risk management team.
- All the Compulsory Delivery marked contracts in NFO will be square off at RMS from 2:00PM onwards on every Monthly Expiry day. It can change based on the discretion of our risk management department.
- In case client's account is in debit balance and/or if you have insufficient funds to manage your trading positions, you will be charged an interest of 24% p.a as delayed payment charges (Daily Basis).
- Trading in Illiquid contracts in Cash segments is not allowed.
- Client can refer their trade & margin details in their BackOffice including their Global reports.
- Only 75% value of holdings square off benefit will be available immediately & no benefit will be given in case BTST holdings.
- BTST is allowed for both POA & NON-POA clients if ledger is in credit balance with 30% of upfront margin or VAR whichever is higher.
- When the Clients ledger went more than 85% (Debit) from the total Holding Value, The Holding will be covered by RMS.
- MTF is allowed only for the Approved stocks list from SEBI in NSE and/or BSE.
- The net risk involved in MTF funding will be adjusted from client ledger on daily basis.

- On 90th day, all MTF stocks will be square off at RMS side.
- In BO, a trader cannot exit a position partially. Client has to exit all at once.
- Bracket order cancellation is not possible once entered. The order can be closed only by exiting the position.
- Bracket order is not permitted in Stock Options, Currency options, and Commodity Options & other group categories apart from a group in NSE Cash.
- While drastic movement, there are chances of executing both pending leg orders. (Target and Stop Loss). So BO orders are not suggestible at the time of drastic Volatility.
- Limit orders are not possible during exit.(While Exit the Leg Order It will be executed at Market Price)If the markets are volatile, then System will may not consider Stop Loss price and may execute the order at the best available price in the market.
- When placing a bracket order if the order gets filled in multiple executions, each of the execution will be considered as a separate order and Client will be charged brokerage & taxes separately for each partial fill. The same applies for Bracket orders squared off by our RMS team as well.
- Any news or impact on particular Stocks/Futures RMS will block the BO/CO.
- Sudden drastic movements RMS have rights to cover the position of BO/CO.
- While placing or modifying the orders, it is recommend that to place SL when client wanted to buy above the market price and sell below the market price. This will avoid unnecessary confusion to the client for the traded prices.
- When trying to modify any BO pending order, please be patient until the order gets modify completely.
- Exchange prescribed ASM/GSM Stocks BTST not allowed and Only A, B & EQ series which are not falling under ASM & GSM list those scrips are allowed for BTST.
- In case the client has 1 ASM/GSM & 2 normal EQ series that are not allowed for BTST (Requires full margin/ 100% value of holding to get allowed for BTST).
- Physical delivery/Exercise of Equity stock or commodity is not allowed. In case if it's received from the exchange due to the discretion of RMS, Internet glitch or connectivity issue, etc., the same will be passed to the client's ledger & the Client is liable for the profit & loss.
- Please avoid placing fresh orders at the time of market opening in any segment.
- Bracket order / Cover Order cancellation is not possible once entered in to the Trade. The order

can be closed only by closing the Stop Loss position. This case will arise usually Exchange cancelation of Stop Loss orders. The Exchange Cancelled Order can be closed by only the Aliceblue dealers.

- There will be auto cancelation for limit orders when MtoM Warning reaches to 75%. The existing NRML position should be covered by placing a market order only.
- Two months Option Stock contracts are allowed based on open interest validation for strikes, remaining strikes will be blocked under " Illiquid strikes are not allowed"
- Once the first half market closed, NFO Released premiums will be blocked. NFO Released premiums cannot use for MCX options buy Trade purposes, If it is used, RMS will square off your open position without any intimation.
- Using Option strategy or hedge/Spread benefits and open positions have consumed more than 100%, The high margin utilizing position need to be covered first(Option writing), To avoid the Peak penalty/ EOD short penalty RMS will square off your open position without any intimation.
- For intraday trading, MIS product is enabled for Option contracts. Under any circumstances, the Option contract's strike prices get frozen and intraday positions will not able to be squared off by the system or client, those positions will be considered NRML positions it will be carried forward till the strike freeze gets released. Once the frozen strikes get released the RMS team will square off those positions. Under those circumstances, the client is responsible for losses and other charges.
- Exchange Order Cancelling Rejection Codes are**: NSE** - 17070(The Price is out of the current execution range) & 17080: The order could have resulted in self trade **& MCX** - Self-Match Prevention Functionality.
- All information mentioned here is subject to change at the discretion of our Risk management team based on the market volatility.

Contract Note: AliceBlue will issue contract notes & margin statements to its clients within 24 hours of the trade taking place. Along with the Contract Note, the client shall also be furnished with a copy of the daily margin status which is also available to be viewed on their respective Backoffice Personal Ledger.

Closing of accounts/dormant account: Client can close the account by giving notice 30 days before to AliceBlue. However, we will close the account based on the request from client side. Closing of account shall mean that there is no outstanding balance of shares or funds in the client Ledger. As far as dormant accounts are concerned, we do not close such accounts, but mark the same as "Inactive" till further action by the concerned client.

Inactive Policy: All that you need to know in case your trading account is not active for more than 12 months as per the circular Ref No: NSE/INSP/46506 Dated: December 01, 2020. If the client wants to reactivate post Inactive marked, they should submit the fresh KYC form after done with IPV from our employees.

For Alice Blue Financial Services Pvt Ltd. Version: 2022/0011

Date: 22/04/2022

aliceblue