CLIENT CODE MODIFICATION POLICY
(Ref: SEBI CIRCULAR CIR/DNPD/6/2011 Dated July 05,2011)

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 DFSL, subject to the guidelines issued by the SEBI / Stock Exchanges from time to time, in any segment of any exchange for which DFSL 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 (NOTE: no consistent pattern in such modifications):

i.   client code/name and modified client code/name are similar to each other but such modifications are not repetitive.
ii. Relative Code (spouse, dependent parents, dependent children and HUF) as defined under the Companies Act, 1956.

In Case of BSE:

i.   Punching error / typing error of client codes due to any genuine error or mistake in order entry, while punching the order, by any of dealer.
ii. Trade entered for wrong client due to any miscommunication from the client / authorized representative of the client.
iii. Modification within family members
iv. Institutional trades modified to broker error/pro account

In Case of MCX-SX

i. Punching error / typing error of client codes due to any genuine error or mistake in order entry, while punching the order, by any of dealer.
ii. Trade entered for wrong client due to any miscommunication from the client / authorized representative of the client.

5. General Conditions:

(i) The facility for Client Code Modification can be used only in case of Error Trade.
(ii) 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.
(iii) No code modification will be effected in back office.

6. Place for Client Code Modification:

Any Client Code Modification shall, subject to compliance of this policy, be carried out by RMS at HO of all the Error Trades happened on NSE,BSE and MCX-SX.

7. Penalty

In case of the Client Code Modification will be done by shifting of the trade(institutional or non-institutional) to the error account of DFSL and arising cost of the trades in error account will be subsequently liquidated / closed out in the market and in no case will be shifted to some other client code.

In case of any violation resulting in penalty same will be recovered from the Sub Broker/ Authorized Person and/ or client. All are requested to take notice of SEBI circular no. CIR/DNPD/6/2011 and communication issued by exchanges from time to time in this regard .