

SAMRUDDHI STOCK BROKERS LIMITED

CLIENT CODE MODIFICATION AND ERROR CODE POLICY

□ Brief criteria about Client code Modification

Client code modification means modification of client code after the execution of trade. The stock exchange provides a facility to modify the client code to rectify an error. Further only the genuine errors will be modify and after being transferred to 'Error Account'.

The modification should be done within the Stock Exchange guidelines. The modification of client code is to be done only in exceptional cases and not in routine case.

□ Details about Genuine error

The following trades shall be modify/ allowed to be modify, shall be treated as genuine error and transferred to Error Account.

- 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. Client code/name and modified client code/name are similar to each other but such Modifications are not repetitive.
- IV. Family Code (spouse, dependent parents, dependent children and HUF)
- V. Institutional trades modified to broker error/pro account.

□ **Example of Genuine Error**

The criteria for determining the genuineness of client code modification are as follows:

- ♦ Client code FA 1234 wrongly entered MN5678 would be constructed as intentionally committed whereas FA1234 entered as AF 1234 or FA 2341 may be a genuine punching error.

□ **The Board and Management Directives:-**

The Board and Management have approved under mention policy in this regard and instruct all the office bearers to follow it strictly.

- I.
 - (a) To control the punching error, it has been decided that client code mapping will be restricted in trading terminals.
 - (b) To create a separate error account in the name of ERROR account and upload the UCC as per the exchange circular.
 - (c) To review periodically list of inactive clients for marking in CTCL Surveillance System.
 - (d) To liquidize the position transferred to ERROR account immediately within reasonable time period.

- II. Dealers are advised to hear patiently the client code /scrip name and reconfirm the same to their best possible efforts before placing order into the system.

- III. Department head/ compliance officer are advice to analyses the mistake and to take /implement corrective measures to their best possible efforts to minimize.

IV Department Head/ Compliance officer are advised to update the report to the Board / management on the implementation of the said policy periodically.

□ **Reporting System**

- ♦ Client code modification issues should be reported to the Key Personnel's and can be done only after getting approval after knowing it's genuinely as per exchange directives.
- ♦ Any client code modification shall be subjected to this policy be carried at Head Office of the company.
- ♦ The company review every day the Error Account file send by the Exchange.
- ♦ A separate register to be maintained by the company for above purpose where full details will be recorded.